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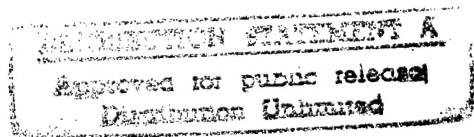


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# ***JPRS Report***

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## **China**



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## CHINA

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IDEOLOGICAL 'FORECASTING' IN ARMED FORCES DISCUSSED

Zhengzhou LINGDAO KEXUE [LEADERSHIP SCIENCE] in Chinese No 4, 20 Apr 87  
pp 34-35

[Article by Wu Guowen [0702 0948 2429] of Unit 87027: "Tentative Discussion on Ideological Prediction in Armed Forces"]

[Excerpt] Prediction, as a science, means predicting the future on the basis of the past and the present. It is an important part of the modern science of leadership. Ideological prediction means the advance calculation and deduction of the direction and trend of ideological development through application of the basic theory of the science of prediction, so as to ascertain the ideological trend of certain persons or certain units and to guide ideological and political work.

I. Significance of Ideological Prediction in Armed Forces

An old proverb says: "Success is the result of preplanning, and failure is due to the lack of it." Ideological prediction is an important part of ideological and political work in the armed forces as well as a basic skill which ideological and political workers must master. An ideological and political worker in the armed forces must highly regard and learn about ideological prediction in order to get help from this scientific "telescope" in sizing up the overall situation and keeping abreast of the trend of ideological development among the personnel of his own unit, and to hold the initiative in ideological and political work. That is why ideological prediction is of great significance.

1. Ideological prediction provides scientific data for military education. As a general theory, the formulation of plans for education must be based on the higher authorities' instructions, the educators' experiences, and the current ideological state of the students. At the same time, it must be based on a prediction of the ideological dynamics. The reason is that educational plans are intended for guiding military and political education at a certain stage and for future practice. If they are not based on scientific predictions, their divorce from the masses and failure to keep pace with the ideological changes among the cadres and fighters can hardly be avoided.

2. Ideological prediction is a prerequisite for strengthening far-sightedness and purposefulness of ideological and political work in the armed forces. To change the passive position of ideological and political work, the ideological workers must have foresight. They must not only clearly understand the ideological state of those they are immediately dealing with, but also have a "grasp" of the future situation. He must give the "immunization shot" in good time, change the ideological work of a "belated-type", and overcome blindness in action.

3. Ideological prediction is the most important link in the prevention of political incidents in the armed forces. The "three links" of ideological and political work has been widely used in the air force for many years and with great success. Under modern conditions, however, the formation and exposure of ideological problems have the characteristic of abruptness. Without advanced "ideological forecasting," we will be caught unawares. Therefore, I suggest that the "three links" be increased to "four links"--periodic prediction, prompt detection, careful verification, and proper solution.

## II. Types and General Process of Ideological Prediction

### A. Types of Ideological Prediction

1. There are three types of ideological prediction according to the targets involved: 1) Predictions for different types of people. This is for predicting the ideological trend of certain individuals, especially those of the "gloomy" type and those who are fond of "shooting off their mouths." 2) Predictions for different units. This is for prediction the ideological trend of certain squads, platoons, and companies. 3) Predictions for different levels and categories. The people of one or several units are regrouped according to certain affiliations or in a certain order so that the ideological trend of certain categories can be predicted.

2. Ideological prediction in terms of time can be classified into three types: 1) Short-range prediction. The prediction is in terms of days and for special circumstances of the immediate future. For example, when a fighter, who is madly in love, receives a "dear John" letter, or a company has to carry out some urgent task, we must quickly deduce the ideological problems that may soon ensue so that appropriate measures may be taken. 2) Prediction of the near future, meaning weekly prediction or monthly prediction. 3) Medium-range prediction. This covers quarterly, half yearly, or even longer periods. It is usually carried out in combination with the review of plans and provides data for ideological work planning.

3. Ideological prediction in terms of methodology can be classified into two types: 1) Quantitative predication. After collecting a large quantity of ideological data and with the methods of setting priorities, comparisons, and deductions, we can conduct a quantitative analysis on some personnel's state of mind, predict the trend of development, the forms of appearance, and the proportion of quantity, and then proceed with our work in a purposeful way. 2) Objective prediction. Based on certain set objectives, such as in training and construction, we can predict the mental hurdles encountered in the process, look for and work out the best plan for surmounting them.

B. The general process of ideological prediction can be divided into four stages:

First, the stage of determination of objectives. In this stage, we must clearly understand the targets, the scope, and the key points of our ideological prediction. Distinctive objectives and specific requirements are the prerequisite for effective predictions.

Second, the stage of information collection. Based on the requirements for objective prediction, we must study and investigate the relevant circumstances elaborately in order to provide objective data for ideological prediction. This is the crucial stage for determining whether or not our ideological prediction may yield the best result. The ideological information must be accurate, complete, and quickly available. The collection of this information may not be accomplished on the first attempt, and may require repeated investigations, selections, supplements, and the weeding out of certain unreliable portions.

Third, the stage of information processing. Here, scientific analysis and logical deduction of information are conducted in light of the experiences of and lessons learned by individuals in order to explore the objective laws and special characteristics of ideological developments, to bring to light the direction and trend of such developments, and to ascertain the key points in ideological and political work.

Fourth, the stage of formulation of measures. Based on the conclusions of the prediction, plans for ideological and political work are formulated to guide our work.

These four stages are interrelated and united in the process of ideological prediction.

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## MARXIST VIEW OF POLITICAL FREEDOM

Beijing LILUN XINXI BAO in Chinese 16 Feb 87 p 3

[Text] This year's 2nd issue of NEIBU WENGAO [ARTICLES FOR INTERNAL USE] published an article by Comrade Lin Huiji [2651 6540 1015], which comments critically on the debate over freedom conducted throughout last year among Chinese academic circles, an article in which he published his own views on some questions of principle. The article says:

Political freedom is the most sensitive key question in the current study and debate on the topic of freedom. Both sides of the argument endeavor to reveal the essence of freedom, though they merely start out from different points of departure and differ in their perceptions, and of course, in their conclusions. On the one hand they try to uphold the identity of philosophical and political freedom, using the concept of scientific philosophical freedom as guide in their perception of the essence of political freedom. On the other hand they strive to free themselves from the entanglement of the philosophical concept of freedom and to arrive at an independent determination by political freedom by itself. According to the views expressed in some articles, political freedom is merely a right, and this right is, furthermore, man-made. This is a biased view.

As we see from the Marxist perception of freedom, regardless whether it is taken generally (in the sense of a philosophical world view), or whether we take it more specific, freedom is in essence a universally applicable concept, which means, it always represents a unity of awareness and application of inevitability, of knowledge and practice, and of the subjective and objective. The difference between the various views on freedom is only the difference of scope and special characteristics as applied to specific targets. For instance, the target and scope of application of the philosophical concept of freedom comprises everything in the whole world, including nature, society, and human thought, while other specific targets and scopes of application of freedom show it as of a correspondingly and specifically limited nature. For instance, the so-called political freedom is the awareness and application by man of the laws of sociohistorical development.

As to concrete determination, political freedom is indeed a kind of right, but it is not only a right, it also comprises the capability to enjoy and dispense this right. The right and the capability supplement and complement each

other, they are a dialectical unity. Without rights it would be impossible for the subject of freedom to assume the status of master of the state. But the rights, which the provisions of the law grant, are only an externally extant possibility. To convert this possibility into reality, guarantees and conditions must be provided which give equally important consideration to both the subjects and the objects of freedom. From the perspective of the subject, it is then necessary to continuously provide the capability to know and use the law of sociohistorical development. If this capability is lacking, if there is no internally extant consciousness and initiative, no matter how large the scope of rights the constitution may provide, they will not assume reality. Of course, there have to be also guarantees of adequate objective material conditions and institutions. And these objective conditions play the final and decisive role as regards the rights of the superstructure. It shows, fundamentally speaking, that political freedom, whether we say it is a right or a capability, is in the final analysis determined by the objective material conditions, and we must not take political freedom, as some comrades are doing, as fundamentally "man-made."

The article also refutes the viewpoint, held by some comrades who espouse a new idea regarding the true essence of the Marxist concept of freedom, in that they regard the "essence of freedom as a comprehensive outgrowth from the freedom of man himself." The article points out: Talking of the relationship between man's development and freedom, Marx and Engels have never provided a definition of freedom and have never shed light on the essence of freedom. They have mainly dealt with the relationship between freedom and the subject of freedom, and the problem of the consequences of the development of freedom. Many more people use "freedom" in its attributive or adverbial form in connection with man and his development, as for instance in such phrases as "free man" and "man's free development." Using man's free and comprehensive development to determine the true essence of freedom, can only, and really will inevitably, lead to a subjective doctrine of freedom, purely from the standpoint of the subject of freedom.

The article finally says: In summary, we must uphold the Marxist scientific concept of freedom, uphold the dialectical unity of the philosophical concept and the political concept of freedom, we must uphold the unity of the subject and the object of freedom on the basis of practice. Only in this way will we be able to ensure that in our practice our pursuit of freedom will for all times follow the right direction and advance along the correct course.

9808

CSO: 4005/664

GUANGMING RIBAO ANALYZES TRANSITIONAL PHASE OF SOCIALISM

HK280245 Beijing GUANGMING RIBAO in Chinese 11 May 87

[Article by Xue Hanwei (5641 3352 0251): "Gists of Theories on Medium-, Small-, and Large-scale Transition"--passages within slantlines published in boldface]

[Text] When studying the question of the division of socialist society into periods, we will first touch upon the starting point of socialist society, which is also the end point of the transitional period. Therefore, we should analyze the three historical theories on the transitional period.

/The Marxist theory on medium-scale transition./ According to Marx, the end of the transitional period means that all the means of production are owned by society and all the classes and the differences between all classes have been eliminated. We call this Marxist theory as the theory on the medium-scale transition. This Marxist theory regards the period from the proletariat seizing the state power to the whole society possessing all the means of production as the transitional period, regards the society in which the system of private ownership is eliminated but the influence of the system of private ownership or the vestiges of the old society still exist as the first stage of communism, and regards the society in which the system of private ownership, the influence of the system of private ownership, of the vestiges of the old society are all eliminated as the advanced stage of communism.

When we look at this theory at present, we can see that the theory on the medium-scale transition is too sweeping. This is because the theory on the medium-scale transition does not point out the difference between the society, in which all the classes, including the exploiting class, are eliminated, but the differences between various classes still exist, and the previous transitional period. Practice has proved that such a difference is of great theoretical and practical significance. The reason why Marx and Engels failed to point out such type of difference is because they thought that the process of the society possessing all the means of production would be a relatively short process. For example, until 1891, Engels still regarded the transitional period as "a short, relatively difficult, and morally beneficial transitional period" (The Complete Works of Marx and Engels" Vol 22, page 243). However, the above view of Engels was only applicable to the situation in the civilized European and North American countries at that time, but not applicable to the economically backward countries, such as Russia, China, and



some other countries. Even so, to think that the society can possess all the means of production and the differences between various classes can be eliminated within a relatively short transitional period is obviously an underestimation of the complicated nature of the process.

However, this does not mean that the classless socialist formula put forward by Marx and Engels is already outdated. First, this formula is not necessarily effective in the most developed contemporary capitalist countries. Because these countries have small agricultural populations but each has an advanced agricultural organic formation, so after they achieve the victory of the socialist revolution, these countries will probably need a relatively short transitional period to establish a socialist society which has no class difference between the workers and the peasants. However, while these countries are realizing the unity of such a classless society, they probably still have a great diversity of social groups representing different interests and the complicated relations of interests. This is situation which Marx and Engels failed to analyze in the past; second, this formula is the goal of the struggle carried out by the socialist countries which are economically backward. The practical experiences of the socialist countries and the trend of the economic development of the developed capitalist countries show that after eliminating the difference between the workers and the peasants, it is not necessarily possible to immediately and completely implement the principle of from each according to his ability, and to each according to his needs. There ought to be a complete historic period between the elimination of the difference between the workers and the peasants and the complete implementation of the principle of from each according to his ability, and to each according to his needs. So, the realization of the classless socialism is still an important symbol of the division of the socialist society into separate periods.

/From medium-scale transition to small-scale transition./ According to the realities of Soviet Russia, Lenin pointed out the protracted nature of the transitional period and the question of the development stages. However, since Lenin only experienced the initial period of the transitional period, he failed to carry out a concrete analysis of the stages of the future development of the society. Adhering to the expositions of Marx and Engels, Lenin still thought that the terminal point of the transitional period means the establishments of the classless socialist society.

This view of Lenin was still widely accepted in the Soviet Union during its Second 5-Year Plan. At that time, the people of the Soviet Union tried to basically eliminate the various classes and abolish the antithesis between the workers and the peasants and basically establish the classless socialist society within the Second 5-Year Plan. Although the production task of the Second 5-Year Plan of the Soviet Union was accomplished, the above mentioned political task of the Second 5-Year Plan of the Soviet Union failed to be accomplished. In 1936, when Stalin announced that the Soviet Union had basically established the socialist society, he no longer regarded the basic elimination of the various classes and the abolition of the antithesis between the workers and the peasants as the criterion of the basic establishment of

the socialist society. Soon afterwards, Stalin regarded the accomplishment of this criterion as the terminal point of the transition period, thus going beyond the traditional concept that socialism could only be a classless society and establishing the theory of the small-scale transition.

Stalin's theory of the small-scale transition was put forward according to the initial experiences of the building of socialism. The initial experiences of the building of socialism showed: The period of time needed for putting the means of production into the possession of the whole society and eliminating the differences between the workers and the peasants was much longer than the period of time people had previously estimated. And the establishment of the system of the public ownership of the means of production and the elimination of the exploiting classes had enabled the society to enter into a completely new stage of development--the stage of the development of the socialist society. The later experiences of the building of socialism shows that the transition from the elimination of the exploiting classes to the elimination of the differences between various classes was completely a historical period. Because of this reason, the theory of the small-scale transition was once accepted by the theoretical circles and the ruling parties in most of the socialist countries of the world. However, the theory of the small-scale transition also has its serious defects: First, according to the degree of the realization of the agricultural collectivization, the theory of the small-scale transition divides the period of transition towards socialism into the period of entering socialism, the period of laying the socialist foundation, and the period of basically establishing socialism. When studying this theory today, we can find that such a method of division the period of transition towards socialism is not necessarily correct; second, the theory of the small-scale transition contains the super-period ideology of premature advance, which lumps together the establishment of the socialist system and the accomplishment of the building of socialism. As a result, Stalin put forward the task of advancing towards communism soon after the socialist system was established in the Soviet Union.

/From small-scale to large-scale transition./ During the period of accomplishing the socialist transformation, our country basically accepted the theory of the small-scale transition, but went beyond the theory from the very beginning. In 1954, Mao Zedong issued such a statement, saying that it would take us 50 years to build China into a great socialist country. In 1957, Mao Zedong explicitly distinguished the "building" of the socialist system from the "establishment" of the socialist system. However, at the same time, the ideology of being overanxious for quick results emerged, especially in the socialist transformation in the second half of 1955 and the economic construction in 1956. The ideology of being overanxious for quick results finally resulted in a large-scale premature advance in 1958. Soon afterwards, Mao Zedong and the CPC Central Committee discovered the mistake of lumping together the system of the collective ownership and the system of the ownership by the whole people and the mistake of lumping together socialism and communism in the movement of establishing the people's communes. In order to correct these mistakes, in December of 1958, the Sixth Plenary Session of the Eighth CPC Central committee further revised the theory of the small-scale transition by pointing out: The Soviet Union announced its establishment



of socialism and the time needed for our establishment of socialism should be longer than that of the Soviet Union. In fact, at that time when we believe that we have established socialism, we have actually laid a solid foundation for the communist society. Therefore, the saying that "the day when socialism is established is the day when communism arrives" can be regarded as the bud of the theory of the large-scale transition. Between the end of 1959 and the beginning of 1960, after reading the section of socialist in the Soviet Union's "Textbook of Political Economics," Mao Zedong put forward the ideology that the transitional period includes the transition from capitalism to socialism and the transition from socialism to communism.

In 1962, although Mao Zedong acquired a further understanding of the protracted nature of the building of socialism and put forward the correct ideology of building a strong socialist economy within the next 50 to 100 years, at the same time he further magnified and thought in absolute terms the class struggle in the socialist society, and therefore, finally established the theory of the large-scale transition, which lumps together the main contradiction of the transitional period and the main contradiction of the socialist society. This theory was publicly announced for the first time in the communique of the 10th Plenary session of the 8th CPC Central Committee.

Although the theory of the large-scale transition contains the correct ingredients of opposing prematurely announcing the establishment of socialism and adhering to the dictatorship of the proletariat, generally speaking, it was not a correct theory. This is because on the one hand, the theory of the large-scale transition lumps together the transitional period and the historical period of socialism, asserting that the main contradictions in these two periods are the contradiction between the proletariat and the bourgeoisie; on the other hand the theory of the large-scale transition regards the entire socialist society as the process of transition towards communism. Thus, this theory has inevitably caused the emergence of the "Leftist" errors in the building of socialism.

Since the 3rd Plenary Session of the 11th CPC Central Committee, our party has cast away the theory of the big-scale transition and therefore has opened up a correct road for us to acquire a fresh understanding of our country's transitional period and the period of the present development of our society. The resolution adopted by the 6th Plenary Session of the 11th CPC Central Committee reaffirmed the transition from new democracy to socialism in the transitional period of our country and put forward the new exposition that "our socialist system is still in the initial stage." These two new expositions were put forward on the light of the realistic situation of our country and on the basis of summing up the historical experiences. These two new theories absorbed all the regional ingredients from the above mentioned three historical theories of the transitional period and corrected their defects and mistakes. These two new theories also scientifically and theoretically summarized the nature of our country's national situation in the transitional period and at the present stage as well.

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## PAPER ASSESSES INITIAL STAGE OF SOCIALISM

HK290539 Beijing GUANGMING RIBAO in Chinese 15 Jun 87 p 3

[Article by Wang Linfa (3076 2651 4099): "A Brief Analysis of the Major Political Feature of the Initial Stage of Socialism"]

[Text] Upholding the four cardinal principles is an objective political requirement for the economic base at the initial stage of socialism, and a major political feature of the initial stage of socialism. Why do we say so?

First, this is determined by the practical conditions and social environment in China's primary stage of socialism. In our country there are not only the economic sector under ownership by the whole people and the collective, which occupies a leading position, but also numerous economic forms, such as the individual economy, the private economy, and the economic sector of Sino-foreign joint ventures and wholly foreign-owned enterprises. The great cause of reunifying the motherland has not been completed. In our country, since the exploiting class was eliminated as a class, class struggle is no longer the principal contradiction. However, because of the domestic factor and international influence, class struggle will still exist within a certain scope for a long time and will probably intensify under certain conditions. Internationally, the antagonism and struggle between the two systems and two roads of socialism and capitalism are both unavoidable and protracted. Capitalist countries have never ceased their political infiltration, subversion, and other sabotage activities in socialist countries. To ensure that our society makes the transition from the primary to the higher stage, we must also uphold the four cardinal principles.

Second, as a major political feature of the primary stage of socialism, upholding the four cardinal principles is also determined by the principal socialist contradiction in our country at the present stage. The resolution by the 6th Plenary Session of the 11th CPC Central Committee pointed out: "After socialist transformation was fundamentally completed, the principal contradiction of our country has had to solve is that between the growing material and cultural needs of the people and the backwardness of socialist production. It was imperative that the focus of party and government work be shifted to socialist modernization centering on economic construction, and that the people's material and cultural life be gradually improved by means of an immense expansion of productive forces." The four cardinal principles are the basic guarantee for solving this principal contradiction.

We are now engaged in socialist rather than capitalist modernization. Only by keeping to the socialist road is it possible to coordinate development of the building of material and spiritual civilization. A stable political situation and social stability are indispensable condition for economic development. Only by upholding the people's democratic dictatorship, stepping up the building of socialist democracy and the legal system, and carrying out unremitting struggle against the sabotage activities of a handful of elements hostile to socialism, is it possible to consolidate and develop political stability and unity and to create a favorable political and social environment for our economic construction, reform, and opening up. Socialist modernization is at once a very complex, arduous, and great undertaking. We have not yet been able to recognize many objective economic laws. Only by persisting in taking Marxism-Leninism-Mao Zedong Thought as a guide, integrating Marxism with China's reality, and exploring the answers to the new situation and the new problems is it possible for us to gradually march from the "realm of necessity" to the "realm of freedom" and to push forward socialist construction. At the primary stage of socialism, party leadership should be strengthened rather than weakened. This is because only the communist party can genuinely lead the people of the whole country to push our country from the primary to the higher stage of socialism and eventually achieve communism.

Third, carrying out socialist reform is also a factor determining that the four cardinal principles are a major political feature of the primary stage of socialism. The socialist system is superior but, at its primary stage, some specific systems are still imperfect and have drawbacks. The present economic structure in our country still cannot satisfactorily suit the requirements of the productive forces and the new technological revolution. Therefore, it is imperative to conduct reform. Since reform is aimed at keeping to the socialist road, it should be guided by the four cardinal principles. But the four cardinal principles should not depart from the reform either. Without reform it would be impossible to improve party leadership and the socialist system, and upholding the four cardinal principles would be out of the question. Therefore, reform is closely related to the four cardinal principles. As Comrade Zhao Ziyang put it some time ago: "The line since the 3d Plenary Session is to proceed from the reality in China and build socialism with Chinese characteristics. The line has two basic points: One is to uphold the four cardinal principles and the other is to uphold the policy of reform, opening up, and invigorating the domestic economy. They are so mutually related that neither is dispensable." They are united in the practice of building socialism with Chinese characteristics. This has been precisely our basic theory and practice over the past 8 years and is a principal basis for taking the four cardinal principles as a political feature of the primary stage of socialism.

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CSO: 4005/839

COMMENTATOR NOTES SOCIALIST NATURE OF REFORM

OW221201 Shanghai WEN HUI BAO in Chinese 9 Jun 87 p 1

[WEN HUI BAO commentator: "Justly and Courageously Publicize the Socialist Nature of Reform"]

[Text] Since the 3d Plenary Session of the 11th CPC Central Committee, reform has become an irreversible historical trend. In varying degrees, reform has been carried out in the countryside and in the cities; in the spheres of production, circulation, and distribution; in micro-economic projects to enliven enterprises and in macro-economic plans to improve management; and in ownership,, operating modes, and functions and establishment of government administrative organs. Actual work shows that reform has achieved significant successes over the past 8 years.

Comrade Deng Xiaoping clearly pointed out at the National Conference of Party Representatives in September 1985: "Reform has enhanced the development of productive forces, and brought about a series of profound changes in economic and social life, in the work pattern, and in our mental state. Within a certain scope, revolutionary changes have taken place in reform which is a process by which the socialist system improved itself. This is an important matter, it shows that we have found a path to build a socialist society with distinctive Chinese characteristics." These words profoundly stress the socialist nature of reform; they show that reform is the course we must follow in building a socialist society with distinctive Chinese characteristics.

Although an extremely small number of proponents of bourgeois liberalization also verbally support freedom, they actually advocate "total Westernization" and "making up the missed lessen of capitalism." What they propose totally runs counter to the socialist course to which our reform adheres. Because their minds cannot keep pace with reform, or because they have been influenced by "leftist" mistakes or outmoded thinking, some muddleheaded people, failing to see the socialist nature of reform, harbor this or that sort of doubt or misgiving about reform. Therefore,, we must carry out in-depth and meticulous ideological and educational work, and justly and courageously publicize the socialist nature of reform in order to protect and give impetus to reform.

Developed productive forces are essential for building socialism, which has nothing to do with poverty. We must uphold the socialist course, but we cannot build a socialism that is superior to capitalism until we shake off

the type of socialist practices that cause poverty. We should not talk about socialist principles in an abstract manner without paying attention to the development of society's productive forces. In the sense that it liberates productive forces, reform is also a form of revolution. The work done over the past few years shows that reform has indeed given powerful impetus to the development of society's productive forces. That is specifically why Comrade Deng Xiaoping time and again stressed that, "For the sake of developing productive forces, we must restructure China's economic system, and carry out the policy of opening to the outside world," and that "Restructuring our economic system is inevitable for developing productive forces." The development of productive forces is our most important yardstick in understanding and measuring the socialist nature of reform.

Socialist principles, such as public ownership, distribution according to work, and so forth, have opened up a very broad avenue for the development of productive forces and provided the essential conditions for developing productive forces. However, by no means would we think that productive forces can develop spontaneously, nor should we think that the development of productive forces is no longer the first and most important task under the socialist system. We are now still at the primary stage of socialism, and our productive forces are still highly undeveloped. We have been building socialism, under conditions whereby our economy is highly undeveloped, and we are still very poor. Unless productive forces develop significantly, our socialist system will eventually falter. Restructuring our economic system involves a series of coordinated steps in reforming what is incompatible with the development of productive forces in the realm of productive relations and in the superstructure under the premise of upholding the socialist system. This reform proceeds in a planned, systematic, and orderly manner under the leadership of the party and the government, and thus it is a process through which the socialist system improves and develops itself.

Upholding socialist principles is in total unity with vigorously developing productive forces in society. Some comrades among us, however, separate the two and pit them against one another; they are even suspicious regarding the socialist nature of some reform measures which appear to be conducive to the development of productive forces. Guided by this kind of thinking, they regard contractual and leasing systems of enterprises as "promoting private ownership"; they interpret the system of putting directors in charge of enterprises as "abolishing party leadership"; and they chide the contracted responsibility system linking remuneration with rural households; output as "undermining the collective economic foundation." Some other people pit planned economy against commodity economy, saying that planned economy is socialist and commodity economy is capitalist, that developing commodity economy is the same as practicing capitalism, and that it is the root cause of bourgeois liberalization. Invariably, people with such misconceptions subjectively and casually affix the "capitalist" label on specific reform policies and measures. These comrades do not really realize that poverty is by no means socialism. If productive forces fail to develop more rapidly, it is impossible for socialism to be superior or attractive. If you sincerely want to build socialism and a modern country, you must be enthusiastic about

developing productive forces. The series of reform measures adopted by the party and the government are all aimed to expedite the development of productive forces. When we observe things from this angle, we will clearly realize these facts: The contract and leasing systems are specific measures adopted by state enterprises at separate the "two powers" without changing the nature of ownership; the contracted responsibility system which links remuneration with rural households' output is a change of collective economic operation, providing for a transfer of operating rights but not of ownership; and the development of socialist commodity economy is prompted basically by the need to enliven the economy as a whole through enlivening the rural areas, enterprises, and circulation, and by opening to the outside world. We can also see that these measures are necessitated by the fact that China is still at the primary stage of socialism; they are in line with the requirements for the development of productive forces.

Undoubtedly, in the course of reform, the question arises as to how to adhere to the socialist course. Socialism involves two basic principles: First, upholding public ownership--the principal part; and second, achieving common prosperity. In the process of carrying out reform, opening to the outside world, and enlivening the economy, we assimilate many kinds of economic components and operating modes, utilize foreign capital in a planned manner, and supplement these measures by setting up some independent economies. All this serves the general requirement of developing socialist economy. Likewise, the policy of encouraging some localities and some people to become affluent ahead of others is specifically for the purpose of helping more people to become affluent and achieve common prosperity. Guided by these two requirements, our reform has fundamentally adhered to the socialist course.

In the course of reform, which is a great pioneering project, we all face the question of how to adjust our thinking to the developing situation and to the requirement that socialism must improve itself. Why is it that, in the eyes of some people, the many projects of reform that have facilitated the development of productive forces and invigorated the economy have made some people feel very uneasy as if they had done something wrong? One important reason is: They are mentally and theoretically unprepared for reform. Thus, we should not only criticize "total Westernization" and other fallacies concerning bourgeois liberalization, but also shake off the restrictions put up by "leftist" ideology and habitual forces. By carrying out relevant ideological education, we should help people emancipate their minds so that they will enthusiastically throw themselves into the great cause of reform, firmly confident that our reform is socialist in nature and that without reform they cannot build a socialist society with distinctive Chinese characteristics.

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CSO: 4005/839



## GUANGMING RIBAO DISCUSSES CHINESE-STYLE SOCIALISM

HK291310 Beijing GUANGMING RIBAO in Chinese 18 Jun 87 p 3

[Article by Shi Lin (4258 2651): "Integrate Persistence With Exploration-- Studying Comrade Deng Xiaoping's 'Build Socialism With Chinese Characteristics'"]

[Text] The line since the 3d Plenary Session of the 11th CPC Central Committee is one that allows seeking truth from facts, proceeding from China's realities and building socialism with Chinese characteristics. This line is based on two fundamental points. One is the upholding of the four cardinal principles. The other is the upholding of reform, openness, and revitalization. Only the combination of these two fundamental points represents the perfect content of the line since the 3d Plenary Session of the 11th CPC Central Committee, represents socialism with Chinese characteristics, and represents vital flesh-and-blood and practicing scientific socialism. Therefore, the integration of the upholding and exploration of socialism carries unusually great significance. comrade Deng Xiaoping said: "What is socialism? what is Marxism? We did not have an entirely clear understanding of this problem in the past." ("Build Socialism with Chinese Characteristics," revised and enlarged edition, p 52) If we should lack a correct ideological understanding of the definition of socialism, then we cannot really uphold socialism. Since the 3d Plenary Session of the 11th CPC Central Committee, our party has brought order out of chaos in regard to guiding ideas. One of the important achievements is that we have developed an understanding of socialism on the basis of Marxist scientific socialism. This means getting at the root of the problem. Here, one important point is to distinguish the original meaning of marxist scientific socialism from those things later imposed on socialism by special historical conditions. These things imposed do not represent what the theme of scientific socialism should mean, but seem to have been treated by people as something inherent in socialism, thus giving rise to a distorted understanding of socialism, to different degrees. We have sorted out these things imposed on socialism. This carries unusually great significance in restoring the original features of Marxist scientific socialism and thus upholding bona fide socialism. Comrade Deng Xiaoping pointed out: "If there are many experiences we have summed up, then a very important one is to have a clear idea of what is socialism and how to build socialism." ("Build Socialism with Chinese Characteristics," a revised and enlarged edition, p 52). The fundamental difference that sets scientific socialism apart from the past version of

envisioned socialism lies in scientific socialism being based on historical materialism. Authors of Marxist classics always base themselves on the relations of unity of opposites between social productive forces and the relations of production and between the economic base and the superstructure-- in studying the law of social development and proving the historical inevitability of socialism taking the place of capitalism. In spelling out the Marxist concept of historical materialism, Lenin said: "Only from the high plane of summing up social relations as the relations of production and summing up the relations of production as productive forces can we find a reliable basis for treating the development of the social pattern as a natural historical process." (Selected works of Lenin, vol 1, p 8) Marxism pays the greatest attention to the development of productive forces. Socialist superiority finds expression in its productive forces being developed with a higher level and at a quicker pace than in the case of capitalism. China carried out socialist revolution on the basis of a semi-colonial and semi-feudal society and built socialism under relatively backward economic and cultural historical conditions. The development of productive forces and the transformation from the state of economic poverty and cultural backwardness represented an especially urgent task. But due to mistakes in the party's guiding ideas, after the fundamental completion of socialist transformation, the development of productive forces was neglected. In the whole period of 20 years, there was no great development of productive forces. This mistake has to do with deviations in our understanding of socialism, or failure to realize that the primary task of socialism is the development of productive forces. Comrade Deng Xiaoping pointed out: "Experience in the 20 years from 1958 to 1978 tells us that poverty does not represent socialism. Socialism must get rid of poverty. If we fail to develop productive forces and to raise the living standard of the people, we cannot say that this is in line with socialist demands." ("Build Socialism with Chinese Characteristics," revised and enlarged edition, p 104). The 3d Plenary Session of the 11 CPC Central Committee decided to shift the emphasis of the whole party's work to economic construction, stressing that all work must revolve around the socialist modernization effort as a center. This is based on the understanding that the primary task of socialism is the development of productive forces. It shows that we have a deeper and more correct understanding of scientific socialism.

Since the fundamental task of socialism is the development of productivity, we must reform the rigid pattern of the economic system incompatible with the demands of the development of productive forces. Internationally speaking, this rigid pattern of an economic system is marked by given historical conditions, such as encirclement by capitalism, a war situation, or a war threat, and so forth. Under these given historical conditions, there gradually formed a highly concentrated economic system operating from higher to lower levels. This system in a given period of time and under given conditions rewarded socialist construction with achievements. The problem was that this particular economic system formed under given historical conditions was for a fairly long period of time regarded by people as the only correct pattern for the socialist economy. Even a change in historical conditions was not followed by an appropriate change. Any attempt to change this system was



considered as the greatest offense and rejected. In the process of our socialist construction, this rigid pattern was also borrowed in its entirety. This economic system with high concentration was treated as something inherent in socialism. With the passage of time, its defects have also become more and more obvious.

The formation of a highly concentrated economic system and the transformation of it into a rigid pattern in the process of socialist development represent something imposed under given historical conditions and not something inherent in Marxist scientific socialism. What kind of a society is a socialist society after all? What are its features and the laws governing it? Marx and Engels devoted all their lives to thinking and exploration. They put forth ideas and predictions of all kinds but never put them in fixed form treating them as ultimate truths. Engels solemnly said: It should be made known anyway that the party to which I am attached has never put forth any ready-made program that is appropriate for all times. Our view of the characteristics that distinguish non-capitalism from modern society is a correct conclusion drawn from historical facts and processes of development. A deviation from these facts and processes would mean the absence of any theoretical value and practical value." ("Collected Works Marx and Engels, Vol 36, pp 419-420). Engels also pointed out: "In my opinion, so-called 'socialist society' is not something fixed. Instead, like any other social system, it should be treated as one subject to constant changes and reforms." ("Collected Works of Marx and Engels," Vol 37, p 443). It can be seen that the concept which equates a given socialist economic system formed under peculiar historical conditions with the only fixed and unchanging pattern is incompatible with scientific socialism. Instead, the idea that equates socialism with a society subject to constant changes and reforms is compatible with the original meaning of scientific socialism. What we want to uphold is the Marxist idea on fundamental socialist principles and characteristics and the fundamental socialist system. In regard to the concrete socialist system, we must keep reforming it in light of actual conditions to bring it in line with the needs of the development of productivity. Of course, this kind of reform represents self-perfection and development for the socialist system and is effected, given the upholding of the fundamental socialist system as a prerequisite. By saying that we should distinguish Marxist scientific socialism from the system formed under given historical conditions, does this mean that everything should be based on what predecessors far back in history said as a standard? Of course not. Socialism in the current century has been converted from theory into reality and is being continuously put into practice. Socialist practice has not only proved the correctness of scientific socialist theory but also provided a firm basis for enriching and developing scientific socialist theory. On the basis of socialist practice, we must sum up experiences. We must make theoretical explorations, make new generalizations, put forth new viewpoints, and promote the advance of scientific socialist theory. In the current reform being carried out, our party has not only created the new in practice but also made new contributions theoretically. These contributions especially find expression in the "Decision on the Economic Reform" adopted at the 3d Plenary Session of the 12th CPC Central Committee. The "decision" stressed the need to

"make a break with the traditional concept that sets the planned economy at odds with the commodity economy" and put forth the concept of "a planned commodity economy based on public ownership." It pointed out: "The full development of the commodity economy is a stage that cannot be sidestepped in the development of the socialist economy. It provides a necessary condition for the realization of the modernization of our economy. The 'development of the socialist commodity economy' was affirmed as an important task in reform. This not only made a break with the rigid pattern in the economic system but also smashed the idea of future socialism taking the place of the commodity economy, as envisioned by the founder of Marxism, thus adding new content to scientific socialist theory and representing a new development of scientific socialism in the contemporary era. Comrade Deng Xiaoping set great store by this document. He said: 'What recommends this document is that it explains what socialism is. Something is being said that our ancestors far back never said before. Something new is being said. ...With our practice, we have found answers to some new problems appearing under new conditions. Is it not that we have called for four adherences? This means really upholding socialism. Otherwise, it is a case of the 'gang of four' advocating that we would 'rather have socialist revolution than germinating capitalism.'" ("Build Socialism with Chinese characteristics," revised and enlarged edition, p 78). This is to say that the "decision" is a model in exploration and innovation and also a model for four adherences and a model combining adherence with exploration and innovation. Seeking reform, openness and revitalization in line with the spirit of the "decision" means really upholding socialism. Our workers involving both theory and practice must study this model and continue studying new conditions and new problems involved in reform, openness and revitalization. They must have the courage to create the new in practice and the courage to make theoretical explorations, thus making new contributions toward perfecting and developing socialism. As to what socialism is, and how to uphold socialism, there are many problems that we must still further explore in theory and in practice. Then does this mean that before these problems are made clear, we cannot talk about upholding socialism? Of course, not. Based on fundamental Marxist principles and socialist practice, we still have a clear idea of fundamental socialist principles and characteristics. After we sort out those things imposed on socialism and after we have an idea of a given rigid system appearing in the process of socialist development, we will have a still clearer idea of fundamental socialist principles and characteristics. Comrade Deng Xiaoping said: "Public ownership as the dominant factor, and common prosperity--these are fundamental Marxist principles that we must uphold. We are to resolutely carry out and realize these socialist principles." ("Build Socialism with Chinese Characteristics," revised and enlarged edition, p 99). To uphold public ownership as the dominant factor and common prosperity in reform is to adhere to the socialist direction. With a grip kept on this direction, any reform, any exploration, or any test is allowed. Not only is practice allowed but it is permitted to fail and to sum up experiences and lessons and continue exploration. Thus, we can through reform build socialism which has Chinese characteristics and is full of life and vitality. It not only allows the negation of that kind of a rigid pattern but also enables us to distinguish capitalism. If we should fail to recognize the former, we will be in a rut getting nowhere and getting

ideologically ossified. If we should fail to take note of the latter, we will go astray, lost the sense of consciousness and self-confidence in upholding socialism and become incapable of resisting the idea of bourgeois liberalization. Only by combining the matter of upholding with exploration and innovation can we really uphold socialism. And only this means upholding in a perfect way the line since the 3d Plenary Session of the 11th CPC Central Committee.

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## GUANGMING RIBAO HOLDS FORUM ON REFORM THEORY

HK260941 Beijing GUANGMING RIBAO in Chinese 15 Jun 87 p 1

[Report by Zhao Shibao (6392 4258 1405) and Zhang Jilin (1728 0679 2651):  
"GUANGMING RIBAO Editorial Department Holds Forum of Some Economic Workers in  
Beijing to discuss How to study, Publicize, and Promote Reform"]

[Text] On 12 June, this newspaper's Editorial Department invited some economic workers in the capital to attend a forum to discuss how to strengthen the theoretical study and propaganda for reform. These comrades from theoretical research institutes and departments in charge of practical economic work unanimously agreed that theory should open up a road for reform and should serve reform practice. Studying, publicizing, and promoting reform is the historical mission of all theoretical workers.

Comrades attending the meeting all agreed that the present reform in our country is a profound social change in the relation of production and in the social superstructure, so it can be called "China's second revolution." Since it is a revolution, it is certain that it may encounter various obstacles, including those in people's minds. Over the past 8 years, our reform pace was not slow, but our theory and guiding thought often lagged behind the objective situation in reform. In particular, in the field of economic theory, some outmoded, stagnant, and ossified viewpoints still influence some people's thought and hamper their initiative in action. In order to deepen the reform, we must remove these mental obstacles and break through some outmoded theoretical viewpoints. Some comrades said that our comrades who are engaged in theoretical work have a special responsibility for getting rid of these outmoded theoretical viewpoints which obstruct reform. We should first get rid of these outmoded theoretical viewpoints in our minds, and no longer use these viewpoints to fetter people's thought and impede the in-depth development of the reform. To do this, we should further emancipate our minds, boldly make theoretical explorations and innovations, and clear the way for the in-depth development of the reform.

The meeting discussed the issue of how to link theory with practical issues. Many comrades stressed in their speeches that theoretical breakthroughs and innovation are not equivalent to introducing and copying all things foreign; instead, we must proceed from China's national conditions and from the actual situation in reform, and use the position, viewpoint, and methods of Marxism to solve the new questions and study the new experience in practice. Some

comrades who are engaged in practice said that the key to the combination of theory with practice lies in going deeply into reality. They put forth some hopes and requirements on theoretical research and propaganda. First, they hoped that the theoretical workers will warmly support the reform. They felt that when reform was supported by the theoretical circles and the opinion makers, they would be more confident and courageous; but if their reforms were not supported by the theoretical circles and the opinion makers, they would have misgivings and worries and feel heavy mental pressure. Second, theoretical workers should pay attention to the requirements of the grass-roots cadres and the masses on the forefront of reform. They should study the experience and the situation in the reform in grassroots units, dare to answer various new questions that concern the masses, and effectively give publicity to reform theory. Third, they should prevent one-sidedness. When commenting on reform, they should not affirm everything to negate everything.

At the discussion meeting, some comrades also expressed good opinions on the environment for theoretical studies. Some comrades said that an important condition for making breakthroughs and innovations in theory is to seriously carry out the "double hundred" policy and to create a cooperative, united, vivid, and democratic atmosphere for discussions and theoretical explorations. It is normal that people raise different opinions in theoretical explorations. Such theoretical differences should be solved through discussion, and various opinions should be tested by the results of practice. We should not recklessly form any arbitrary conclusion. We should encourage people to make bold explorations and express different opinions. Otherwise, we will not be able to develop our theory and make it thrive.

Forum participants included Comrades Tong Dalin, Zuo Chuntai, Dong Fureng, Xiao Zhenqian, Ma Biao, Shi Youwen, Wang Xia, Xing Weimin, Lu Bing, and Huang Zhixin. Yao Xinhua, GUANGMING RIBAO editor-in-chief, also attended the forum, which was presided over by Fang Gongwen, member of the Editorial Committee.

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## ACADEMICS DEBATE SOCIALISM, REFORM

HK080939 Beijing NONGMIN RIBAO in Chinese 26 Jun 87 p 1

[Report by reporter Tgong Hai (0781 3189): "Sort Out Things Attached to Socialism, Clear Away Ideological Obstacles to Rural Reform"]

[Text] On 22 June, in light of China's socialist construction and the present conditions in the rural reform, the Editorial Department of this newspaper invited some 20 experts and academics in the capital's theoretical circles to a meeting to discuss these questions: "What is socialism? what did Marx and Engels say about socialism? And what has been attached to socialism by later generations?" Zhang Guangyou, editor-in-chief of this newspaper, and other responsible comrades of the Editorial department attended the meeting. Deputy Editor in Chief Qiu Wenzhong presided over the meeting.

The participants pointed out that in the course of rural reform, we are confronted with some obstructions. Some ossified concepts in people's minds are playing a negative role and numerous things attached to the understanding of socialism are seriously obstructing people's minds. The result is that some people take a doubtful and vacillating attitude toward reform. For this reason, thoroughly sorting out the proposed questions is an urgent, important task for comrades both on the ideological and theoretical fronts and in the rural practical work departments.

At the meeting many comrades talked about a number of things attached to the understanding of socialism over the years, such as regarding socialism as poor egalitarianism; negating that socialism is based on highly developed productive forces; regarding the incessant transformation of the production relations as a primary task; equating the highly centralized planning structure with the socialist economic system; linking collective ownership with collective labor; negating the existence of the objective laws governing socialist construction; attempting to realize today what should be realized in future; obstinately regarding the non-socialist elements which are allowed to exist in the initial stage of socialism as being provided with socialist characters, and so on.

The participants pointed out that a fundamental reason for the emergence of these things attached to socialism lies in the ossification and metaphysics of people's ideological understanding. Using these attached things as a socialist yardstick to judge the reform will naturally lead to errors. In



approaching socialism we must uphold the methodology of dialectical materialism and historical materialism. If we depart from the Marxist methodology we will inevitably misunderstand or distort socialism even if we quote Marx and Lenin word for word. Marx's theory of scientific socialism originates from his objective analysis of the law governing economic movements in capitalist society. he regarded the future society as a constantly changing and developing process. He was invariably opposed to providing an unchangeable, permanent blueprint for the development of the future socialist society. Socialism is a scientific ideological and theoretical system. it is also a practical movement. This makes it necessary for us to concentrate our efforts on building socialism with Chinese characteristics according to Marxist theory. Many of the things we are practicing now, such as the planned socialist commodity economy, the system of contracted responsibility with remuneration linked to output, and the coexistence of many economic sectors and operational forms with the system of public ownership playing a leading role, the leasing of enterprises, and the joint-stock cooperative economy, were not elaborated by Marx and Lenin in specific terms but we practice them in light of practical conditions, thus greatly stimulating the development of the productive forces and enriching the contents of socialist practice. It is exactly in this sense that reform is an inevitable, internal demand of social development at the initial stage of socialism, that it constitutes the self-perfection of socialism. We should not only conscientiously and thoroughly sort out things attached to socialism but also uphold and develop socialism.

Some comrades discussed the question of adopting transitional steps and means at the initial stage of socialism, such as the separation of ownership from the power of operations, the market mechanism, the planning mechanism, the coexistence of many economic sectors and operational forms, holding that by fully applying them we can stimulate the development of the productive forces.

At the meeting the comrades also engaged in debates on the vagueness of some things in reform. some held that in the period of transformation vagueness is an objective reality and it will not yield any good results if artificial efforts are made to determine their nature. Some held, however, that it would be better to differentiate between them because indefinite ideological understanding will lead to chaos in practice. Some held that we should be definite in theory but that we can be vague in policy. Others said, however, that it is precisely on the matter of policy that we should not be vague. Each came up with some convincing arguments.

The participants included old professors over 60 years old and young scholars full of sap. They gathered together, with someone systematically expounding his viewpoints one moment and people with one another to chip in the next. sometimes they exchanged views with one another and sometimes they broke into heated debates. The meeting was filled with a warm atmosphere of holding discussions on an equal footing. Someone said the lively atmosphere is likewise significant in the profound explorations of theoretical issues.

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## QUANGMING RIBAO DISCUSSES OBJECT OF THEORETICAL STUDIES

HK020907 Beijing QUANGMING RIBAO in Chinese 20 Jun 87 p 3

[Article by Zho Chuntai (1563 2504 0669): "Theoretical study Should Have a Definite Object in View"--excerpts of a speech at forum of some economic workers in Beijing RIBAO Editorial Department]

[Excerpts] The objective of our reform is to build socialism with Chinese characteristics. What are Chinese characteristics? They mean that things in China should be in line with China's national conditions and that the universal truth of Marxism should be integrated with China's specific practice. In the 1950's, we created our own method to conduct socialist transformation of capitalist industry and commerce through peaceful purchase. In the 1980's, after the 3d Plenary Session of the 11th CPC Central Committee, we adopted the output-related contract system on the basis of the collective economy in the countryside. These were all successful instances. The great leap forward in 1958 led to economic recession in our country, and this was an unsuccessful instance because the movement was divorced from our country's specific conditions.

In the course of reform, we should fully realize that our country now is still situation in the initial stage of socialism and that we are working for socialist modernization in a large eastern country with a population of 1 billion people. The first characteristics determines the inevitability and long-term character of reform. Reform cannot be completed in one single move, and there is no solution that holds good for all time. Reform is a continuous and gradually deepening process. The second characteristic determines that there is no precedent for reform in our country. Practice which holds good in a small country may not be effective in a large country; practice which holds good in Western countries may not be suited to the habits and mentality of an oriental nation. Therefore, we cannot completely copy the patterns of some Western countries or imitate the measures of some socialist countries. this makes our reform more arduous and complicated. Adhering to the four cardinal principles and using the methods of thinking of seeking truth from facts are the fundamental guarantee for success in our reform.

Some comrades say that at present, some theoretical and propaganda articles do not reason on the basis of China's reality, but merely on the basis of some bookish conclusions, so the people feel that such articles do not hit home when dealing with practical issues. In order to really link theory with



practice, we should cultivate a good atmosphere of studying Marxism-Leninism, a good atmosphere for making systematic investigations, and a good literary style of giving plain explanations by linking theory with practice. In short, we must proceed from reality when dealing with everything, boldly carry out innovation and exploration, and boldly pioneer in the theoretical field. Only thus can we greatly enhance the level of our theoretical study and propaganda.

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GUANGMING ASSESSES MERITS OF CHINESE, WESTERN CULTURES

HK160422 Beijing GUANGMING RIBAO in Chinese 1 May 87 p 3

[Article by Lin Boye (2651 0130 6851) and Lu Jining (4151 0370 1337):  
"Traditional Chinese Culture, Western Culture, and Modernization"]

[Text] In recent years, when discussing the question of traditional Chinese culture, Western culture, and modernization, many comrades have taken the building of socialist culture with Chinese characteristics as a starting point and realistically analyzed ancient Chinese culture and modern Western culture. They have achieved gratifying results. I should also be noted, however, that some comrades have not aired their views appropriately. For example, some comrades hold that since modern times Western culture has been superior to oriental culture in all respects, that their Western culture (including its social theory and social organization system) is so linked with advanced productive force that we must introduce it in its entirety, and that culturally, modernization is tantamount to Westernization. In our view, these comrades have not been quite serious in airing these views and, for this reason, we deem it necessary to discuss it with them.

As we all know, the Chinese nation is a great nation with a long history and a glorious culture. for a long time the oriental culture, represented by ancient Chinese culture, occupied a leading position in the history of world civilization and exerted a great influence in various parts of the world, including the development of the Western economy and culture. As noted British academic John Desmond Bernal put it: China "has always been a great center of human civilization and science for many centuries." In the development of modern Western science the four great ancient Chinese inventions "have played a role, and perhaps a role of decisive significance." (Footnote 1) ("Historical Science," preface to the Chinese version) In his famous work "Science and Civilization in China," Joseph Needham, a noted British specialist on the history of science, expounded in greater detail the great achievements attained by ancient Chinese scholars and laborers in numerous fields, such as astronomy, mathematics, agronomy, mechanics, optics, chemistry, metallurgy, navigation, engineering technology, medical science, and philosophy. Although there was a lot of [words indistinct] in various schools of ideological theories in ancient China, such as social ethics, politics, and laws, there was no lack of useful democratic essence. We should not praise the poisonous or harmful elements in our ancient Chinese culture (on the contrary, we should continue repudiating them and liquidate their

pernicious influence), and we should not reject useful foreign culture. But we must respect our own history and culture. On no account should we take a national nihilist attitude by completely negating our culture.

It should be admitted that our Chinese nation has lagged behind in recent times. But this backwardness has been caused by the decadence of the feudal system and by imperialist aggression. It is also precisely for this reason that the Chinese should oppose the old feudal culture serving the decadent feudal system, oppose imperialist cultural aggression and the slave mentality, carry forward all positive, progressive, and vigorous elements in the traditional culture of our nation and, on this basis, build a new socialist culture. As far back as on the even of the founding of the PRC, Mao Zedong pointed out: "In its spiritual aspect, this Chinese culture already stands higher than any in the capitalist world." (Footnote 2) ("Selected Works of Mao Zedong," vol 4, p 1405) Obviously, since the Chinese have struggled for several decades on the road of building a new socialist culture and have scored successes attracting worldwide attention, it would be very inappropriate if we still held that our culture is inferior to Western culture either in its methods of thinking, value concepts, ethics, or national character.

As for the scientific and technological portion in our culture, although as a whole we still lag far behind developed capitalist countries in the West, we have nevertheless scored tremendous successes in various scientific and technological fields, including such sophisticated fields as nuclear technology, artificial satellites, and carrier rockets. In some fields and areas we have even reached a leading position in the world. Naturally, because old China left us a very weak and poor foundation in science and technology we could not fundamentally change this situation in one or two generations. For this reason we still have to work hard for a very long time.

An important reason for the blind worship of Western culture among some comrades is that they do not make a specific, historical analysis of "Western culture." They do not distinguish between bourgeois ideological things in Western culture and nonideological things, such as science and technology, nor do they distinguish between something with a strong class nature and something we can learn from and use as a reference, such as knowledge, methodology, technique, and skill. Consequently, they draw the conclusion that Western culture is superior to Chinese culture in all respects.

Needless to say, bourgeois culture played a very revolutionary role in the struggle against feudal autocracy which was waged by the bourgeois. Literature and art during the Renaissance period, which called for man's personal freedom and liberation, philosophy with a materialist tendency, natural sciences, and the relatively systematic bourgeois state and social theories put forward by French enlightened philosophers, all flaunted distinctly the banners of "liberty," "equality," and "brotherhood" and became sharp weapons in opposing feudalism. But we should also note that this philosophy was dishonest from the very outset because it covered up the class nature of the bourgeoisie who was exploiting and oppressing the workers and

other laborers. After the bourgeoisie seized political power and after the proletariat mounted the political and historical stage, particularly after capitalism developed to the stage of imperialism toward the end of the 19th century and into the early 20th century, a portion of Western culture that comes under the category of bourgeois ideology (political and legal thought, ethics, philosophy, religion, art, etc.) by and large lost its former revolutionary and progressive nature and tended to be reactionary and decadent. Its principal function to demonstrate the rationality of the capitalist exploiting system, to reconcile the complicated contradictions among various classes, strata, and social groups in Western society, and to safeguard the bourgeois rule. "A given culture is the ideological reflection of the politics and economics of a given society." (Footnote 3) ("Selected Works of Mao Zedong," Vol 2, p 655) Here, "culture" refers to culture that comes under the category of ideology. Despite the knowledge, methodology, technique, and skill it contains, this culture has a clear-cut class nature.

The cultural portions that does not come under the category of ideology, such as natural sciences and production technique, do not have a class nature. In recent times, in an effort to make more profits, the Western bourgeoisie has had to use science and technology to increase labor productivity. Even the modern monopolistic bourgeoisie also adopts the latest technology to squeeze super profits. The monopolies often block and monopolize the latest technology and artificially obstruct technological progress but this also impels some other monopolies to pursue the latest technology more frenziedly. This has objectively stimulated the development of science and technology. Science and technology have neither class nature nor national character. They are essentially the common spiritual wealth of all mankind. Therefore, they can serve people in different countries and regions under different social systems. Naturally, they can also serve socialist society.

Another reason for some comrades' worship of Western culture is that they have confused modern Western culture with advanced productive forces, believing that they are inseparably integrated and that, if we want to import advanced productive forces from the West, we must simultaneously import Western culture. In our view, this viewpoint, which fails to make a concrete analysis of things, likewise runs counter to an elementary knowledge of Marxism and to reality.

According to Marxism, all kinds of cultures that come under the category of ideology, do not have direct links with social productive forces. They come into contact with social productive forces through certain political and economic systems that they serve. In contemporary Western capitalist countries the political and economic systems have revealed various irreconcilable contradictions and have been antagonistic toward advanced productive forces for a long time. This being the case, how can we hold that the cultural portion coming under the category of bourgeois ideology is closely integrated with advanced productive forces? Moreover, various bizarre and motley sects exist in the political and legal systems ethics, philosophy, religion, and art of Western bourgeois culture. There is no unity and harmony among them. how can we imagine that the different sects, which fiercely

struggle with or attack one another and which are so mobile and uncertain, can closely integrate with advanced productive forces?

Let us again examine the nonideological portion of Western culture, namely natural sciences, production technique, etc. As an internal factor of productive forces, they are indeed inseparable from advanced productive forces and directly reflect and represent the level of social productive forces. But they do not come under the category of ideology. For this reason, there is no question of whether or not we can separate them from the portion of Western culture that comes under the category of bourgeois ideology. It is entirely possible for them to serve socialism. The practice of socialist countries over the past several decades has proved this point.

As counterevidence, we would like to point out that if China (as well as other socialist states) have not been able to achieve a satisfactory growth rate in the economy, science, and technology, it is precisely due to the following circumstances. Because some comrades in our party believed that advanced Western science and technology was closely integrated with the portion of Western culture falling under the category of ideology, they took a skeptical and resistant attitude toward the party's policy of learning from developed capitalist countries in the West and importing advanced science and technology--we should say that the policy was initially worked out in the 1950's--with the result that, for a long time, our party has not been sufficiently resolute in implementing this policy. It was not until the 3d Plenary Session of the 11th CPC Central Committee that we shook off the fetters of "leftist" errors and shifted the focus of our work to economic construction. As a result, the above-mentioned policy can be implemented more satisfactorily and China's economy, science, and technology can develop more rapidly.

In short, we should adopt an analytical Marxist attitude toward traditional Chinese culture and Western culture. On the one hand, we should oppose the erroneous practice of blindly praising traditional Chinese culture and even the feudal dross and oppose the erroneous idea of consciously or unconsciously negating the policy of opening up to the outside world and opposing the study of advanced science and technology, universally applicable economic and administrative management experience, and other useful cultures from all countries in the contemporary world, including developed capitalist countries. That is to say, on the question of culture, "total Westernization" is wrong and so is "protecting the quintessence of Chinese culture." Only in this way can we correctly understand and implement our party's policy on the building of spiritual civilization and opening up to the outside world and build socialism with Chinese characteristic.

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CSO: 4005/839

## IMBALANCE BETWEEN RIGHTS, RESPONSIBILITIES DISCUSSED

Beijing GONGREN RIBAO in Chinese 24 Apr 87 p 3

[Article by Chen Shi [7115 1395]: "Correct Knowledge of Rights"]

[Text] In actual life, people seem to have a biased perception of rights, somewhat as if rights are something connected only with those in leading or administrative positions and have nothing to do with the huge mass of common people. In the view of many people, rights are an alien, mysterious, and blurred world. The way they think, rights and duties are therefore often not well balanced--the scales are overloaded with obligations and light on rights. This lopsided bias in favor of duties and against rights is incompatible with our goal of modernizing. China's constitution clearly lists the various basic rights that every citizen shall enjoy. But in actual life, the various types of education of which people partake have comparatively little to say on rights and very much emphasize the obligations that each individual has to fulfill. In the sphere of ethics too, there is much talk of the responsibilities and obligations of the individual and little of his rights. Many people are therefore unclear as to what kinds of rights they have and are in no position to talk about how to use or defend their own rights. For instance, if you ask a worker in some fairly well-regulated enterprise what his duties are, he will probably be able to give a clear answer. But if you ask him what his rights are, you will find more often than not that he is unable to answer. That is because the factory regulations will be very specific in listing the workers' obligations, but will mention workers' rights only very much in the abstract. Looking at the frequent praise the press bestows on some exemplary women, reporting that one of them fulfilled to the utmost her duties as a wife, it more often than not means that she was docile and obedient to her husband and husband's parents, that she did not remarry after husband's death, that she did not divorce him after finding him physiologically disabled, and that she unselfishly gave her everything, including her rights of a woman and wife. Propaganda often praises this kind of woman who only fulfills duties (actually does service far beyond her due obligations), and never exercises her rights, as an "exemplary model" female of the spiritual civilization. Then there is also home education, where parents always teach their own children that they have to "obey." But they are never taught or given guidance as to how to cherish their own rights. Most parents and children believe that children have to accept from birth, unconditionally, the control and instructions of their parents. In front of their parents, children have no rights to speak of. As some see it, a person,

starting from birth, has, without anything else, only obligations to be obedient: at home obedient to parents and elder brothers, in his unit obedient to the leader and the party organization, so that personal rights and awareness of them are being dimmed and deadened in the big noise about obedience. A person will then only know of his duties, will only know to fulfil his obligations, and will not know that he has rights corresponding to his duties. In the end, speaking of one's own rights will by some people always be considered as something not very proper and not the right thing to do, something always embarrassing and to be avoided. They will regard discussion of rights as something not honorable, something even that could only come to mind as "a flash of an impermissibly selfish idea."

Hence I believe we have to revise our perception of rights; rights are powers which citizens may exercise and interests they may enjoy according to law; they are to be seen as the counterpart to duties. In socialist countries, every individual has equal rights and equal obligations, and it is absolutely impermissible that one group has only rights without obligations, and equally impermissible that another group must only fulfil duties without having rights. Rights and duties are twin sisters. Only by having corresponding rights can one consciously fulfil corresponding duties. At the same time, only by fulfilling one's due obligations is one qualified to enjoy corresponding rights. It is precisely as Marx said: There are no duties without rights, and there are no rights without duties. All rights enjoyed by individuals must derive from legal provisions, they are not granted by any specific person. Without legal authorization, no individual or corporate body has the power to restrict or deprive the rights of another person and no other person is allowed to have rights that differ from those of all others.

Suppose the activism, initiative, and creativity of each person is fully stimulated, the important result would be that the exercise of the various rights bestowed by law on each individual citizen would thoroughly change the disparity between lighter and heavier rights and duties. Due awareness of one's citizens' rights, and the exercise of these rights, is also an important component of socialist spiritual civilization. The superiority of socialism manifests itself also in the rights of every citizen, rights which are more genuine, better defined, and of a broader scale than in any society of the past. Each one of us must exert himself in efforts to gain clear knowledge of our rights, and use and defend these rights according to law.

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CURRENT NEWS ON HU YAOBANG, OTHERS

Hong Kong CHENG MING [CONTENDING] in Chinese No 115, May 87 13-14

[Article by Dong Hu [5516 3698]: "Current News on Hu Yaobang"]

[Text] After the conclusion of the NPC, the CPC immediately proceeded with the task of "disinfection" in an attempt to wipe out the "bad influence" brought forth by Hu Yaobang's public appearance. He was placed under strict surveillance and even his personal mail was tampered with.

After the conclusion of the Fifth Session of the Sixth NPC and the CPPCC, the Great Hall of the People once again became empty and quiet. In the past several days, interesting sidelights of these conferences become topics of discussions among the inquisitive people of Beijing during their leisure hours.

Most of these discussions centered on Hu Yaobang's appearance at the NPC opening ceremony. Why should he be summoned to "bask" on the podium? Why did he appear only at the opening, but not the closing ceremony?

An Act on the NPC Podium

This should not be any mystery. Since the downfall of Hu Yaobang was formally announced on 16 January, people, almost without exception, thought that his image would forever disappear from the press and the TV screen. Even those who might previously have misgivings are now full of sympathy for him. These feelings at home and abroad irked the CPC power holders. They did not want to go to extremes openly in handling Hu Yaobang's case; therefore, they sanctimoniously allowed him to remain in the politburo with the nominal title of standing committee member of the politburo. Their intention was to let outsiders know that Hu Yaobang was still a "leader of the party and the state."

According to CPC regulations, only the politburo members and secretaries of the secretariat of the party, the chairman and vice chairmen of the state, the chairman and vice chairmen of NPC Standing Committee, and the premier and vice premiers can be called "leaders of the party and the state." Then Hu Yaobang, as standing committee member of the politburo, was certainly a "leader of the party and the state." To prove that he resigned at his own request instead of



being ousted, the power holders had to stage a puppet show at the NPC opening ceremony by putting him in the "limelight" and allowing "facts" to speak for themselves, as a means to placate people at home and abroad. Some foreign correspondents and overseas newspapers were actually deceived by these "facts" into believing that Hu Yaobang might make his comeback. Some newspapers even lauded the CPC for its big forward step in handling personnel problems.

After all, a show is but a show. Whatever political capital gained by the CPC was soon totally lost.

#### Press Release on Hu Yaobang's Public Appearance Restricted

Hu Yaobang's public appearance at the NPC opening ceremony on 25 March was sensational news from the People's Great Hall, and the correspondents covering the conference hurriedly took pictures and wrote special articles. They took shots of Hu Yaobang shaking hands with Zhao Ziyang and Peng Zhen [1756 4175] at the lounge, noted down how Yu Qiuli [0151 4428 6849] stepped forward to shake hands and talk with him on the podium, and were ready to report to the whole world at the first opportunity on the No 1 person in the news of 1987. A few hours after the opening ceremony, however, all press units were notified by phone that nothing about Hu Yaobang could be highlighted, and that with only one or two exceptions, all pictures showing him and all articles about his appearance were banned. In showing the scenes of the opening ceremony, the Central Television Station gave only a fleeting glimpse of Hu Yaobang.

It was even more dramatic that as soon as the NPC ended its sessions, the CPC immediately proceeded with the task of "disinfection" in an attempt to wipe out the "bad influence" brought forth by Hu Yaobang's public appearance. The CPC organs at higher levels were busy with the relay of Document No 8. Three attachments of this document listed Hu Yaobang's "mistakes" in full details, and his press interview with a certain press representative of Hong Kong in the summer of 1985, which was a little earlier listed as one of his serious crimes, was also included in one of these attachments. This document, however, was only issued to units of provincial and army level.

According to reports from ZHONGXIN NEWS AGENCY, this certain press representative was invited to Beijing by its publisher Wang Shigu [3769 1102 6253] and its deputy publisher Wang Jinxi [3769 3866 1585] for news coverage, and his interview with Hu Yaobang had been elaborately arranged by the leaders of this news agency. The circulation of this document was limited to the provincial and army levels simply because it involved a prominent overseas figure, and spreading the document abroad would be disadvantageous to the "united front."

#### Hu Yaobang's Mail Tampered with

Besides being put on display and then liquidated, Hu Yaobang was also under strict surveillance in his daily activities. Not long ago, an intimate friend wrote him a letter which simply disappeared into thin air. Failing to get a reply, this friend, in indignation, called on the department concerned and recovered his letter. From this incident, we can see what the freedom of communications as spelled out in the Constitution of Mainland China actually

means. If the freedom of communications of Hu Yaobang, a standing committee member of the politburo, can be infringed upon, how about the freedom of ordinary people! This is only consistent with the CPC's nature. Once a person is considered a "problem," depriving him of personal freedom, intercepting and opening his personal mail, and other acts against the Constitution are recognized as revolutionary necessities. Let me cite another example to prove the prevalence of these unlawful deeds.

#### Liu Zaifu [0491 0375 1788] Receiving Threatening Letters

Not long ago, Liu Zaifu told me that a good friend of his in the northeast sent him a letter he never received. After some time, he suddenly received a threatening letter, saying that the letter sent by his northeast friend talked about problems with the current situation, and that this letter might jeopardize him and aggravate his problems. However, the threatening letter added, if Liu Zaifu wanted to have the letter, he should pay 2,000 yuan renminbi. Trembling with rage, Liu Zaifu immediately turned over the threatening letter to the public security bureau. Later, it was found that the letter from his good friend in northeast had been detained by a certain department to be used as a means of blackmailing him. Such despicable behavior has rarely been witnessed.

According to information from Beijing, Liu Zaifu, director of modern literary research institute of Chinese Academy of Social Sciences, was subjected to ultraleftist pressure and indignantly resigned his post as chief editor of WENXUE PINGLUN, the institute's journal, in order to return to his home town for "convalescence." He is now "recuperating" in Hangzhou, and has not attended the recent CPPCC conference. Official sources said that he was "on leave." Now, the institute is without a director in administration, and without a chief editor in publication. Furthermore, the researchers were dissatisfied with the methods used by Hu Qiaomu [5170 0829 2606] and Deng Liqun [6772 0500 5028], and were sympathetic to their institute director. Thus nobody took his job seriously and the entire institute was in chaos. One of the researchers yearned for him, saying "I wonder when he will be able to return." He was voicing the sentiment of the entire institute personnel toward Liu Zaifu.

#### Publication of Qian Weichang's NPC Speech Suppressed

During the sessions of the recent NPC and CPPCC, the CPC deliberately created an illusion of democracy to deceive the public. The power holders screened the comments of some deputies, and let Xinhua News Agency play up the integrity of those who did not raise their hands in voting. Some mouthpieces then carried lengthy articles in praise of CPC democracy. These methods were part of the movement to "oppose bourgeois liberalization," and seemed to convey to the whole world these implications: "Who can say that our democracy is not comparable to that of the West?" "Who can say that our NPC is only a rubber stamp?"

However, facts have exposed the falsehood. In a CPPCC session, Qian Weichang [6929 0251 7022] stressed the need for vigorous development of education and sharply criticized the decision to cut educational funds by 10 percent. He

deeply deplored China's backwardness in education because this backwardness would hinder the four modernizations. He held that the proportion of educational funds in the national economy was already very low and should not be reduced further. He pointed out that since we recognize the importance of skilled personnel to the four modernizations, we cannot remain indefinitely at the talking stage. The CPC power holders were very dissatisfied with his comments and accordingly notified all press units to omit his speech as though he was "absent." Such was the show of "democracy" staged by the CPC in the NPC and the CPPCC. A comedy? Or a tragedy?

#### CPC "checkmated" by Liu Xinwu's Application To Visit United States

In the literary and art circles, there is also news of some well-known writers and artists being attacked, although the authorities have instructed the press not to publicize these incidents in order to avoid adverse repercussions abroad. Besides the experiences of Liu Zaifu already mentioned, there were also incidents of Wu Zuguang [0702 4371 0342] being black-listed in the Document No 8 which took full account of Hu Yaobang's "crimes"; of a female deputy chief of Radio Beijing being dismissed for broadcasting and commenting on an article in praise of Wang Ruoshui [3769 5387 3055]; and of Liu Xinwu [0491 1800 2976] being "suspended" under order for publishing Ma Jian's [7456 1696] novel entitled "Expose Your Coated Tongue or Emptiness." Liu Xinwu has long been under "check-up." Recently, he suddenly posed a problem for the CPC authorities. Some cultural organizations in the United States sent him a joint invitation, and he applied to the higher authorities for permission to go to the United States. His application caused some predicament for the authorities. They requested instructions from the higher authorities level by level, but nobody dared to make any decision. Probably Deng Xiaoping himself will have to make the final decision. People in the literary and art circles of Beijing are closely watching the development of this matter. They generally guess that the CPC will not have the courage to let Liu Xinwu visit the United States.

Beijing's climate is subject to frequent fluctuations between hot and cold. On the political stage, some people are exchanging greetings and wishing one another longevity. The civilians, however, are whispering to one another while attentively watching the turn of events and thinking of the good people under attack. The intellectuals are maintaining their silence, not knowing what to do. These people, always with the destiny of the state and the people at heart, can only sigh in despair whenever they meet. Their future is uncertain, but they cannot do anything about it.

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CSO: 4005/676

SITUATION OF SCIENTIST WEN YUANKAI REPORTED

Hong Kong CHIUSHI NIENTAI [THE NINETIES] in Chinese No 208, May 87 pp 23-25

[Article by Zeng Huiyan [2582 1979 3601]: " 'I Have not Been Blown Down'; Reformer Wen Yuankai [3306 0337 0418]" ]

[Text] Before the 1986 student unrest, Wen Yuankai enjoyed a greater reputation than did Fang Lizhi [2455 0536 0037]. Though blacklisting may not matter much to him, he cannot now lead as carefree a life as before; he is constantly made the target of overt and covert attacks as well as of disparaging gossip and slander. Some had warned him: Throughout history reformers have never come to a good end.

"The great quality of outstanding men is that they remain undaunted by reverses and difficulties." (Beethoven)

Wen Yuankai--a reformer, who has struggled on through many adversities, was blacklisted during the CPC's struggle against bourgeois liberalization, but was nevertheless elected member of the presidium at the Fifth Session of the Political Consultative Conference during the recently convened Sixth NPC. At the opening session of the conference he was sitting there, straight upright, on the rostrum of the presidium. This fact is in a certain sense related to the role assigned to Hu Yaobang by the Chinese Communists at the opening ceremony of the NPC, and also related to the fact that Fang Lizhi is allowed to continue publishing his scholarly articles. It indicates that the methods of political purges and total repudiation of people has become a thing of the past in Chinese history, and that today's Chinese leaders have become wiser and more enlightened.

Blacklist of Central Figures

It has been disclosed that somewhat over 10 persons, including Wen Yuankai, have been listed as central figures on the blacklist of "liberalization elements," a list which also includes Wang Ruowang [3769 5387 2598] (Shanghai writer); Fang Lizhi (former vice president of the Science and Technology University, astrophysicist); Liu Binyan [0491 6333 7159] (reporter of the PEOPLE'S DAILY, vice president of the Writers' Union); Yu Haocheng [0060 3185 2052] (jurist, former president and editor-in-chief of the Qunzhong Publishing

Co.); Wang Ruoshui [3769 5387 3055] (former deputy editor-in-chief of the PEOPLE'S DAILY, author of "In Defense of Humanism"); Hu Jiwei, (former director of renmin ribao); Yan Jiaqi (director of the Political Science Research Institute, CAAS); Xu Liangying, (director of the Natural Science Historical Research Institute CASS); Guo Luoji (professor of politics and philosophy, Nanjing University); Ge Yang [2047 2254] (editor-in-chief of XIN GUANCHANG [NEW OBSERVER]); Liu Zaifu [0491 0375 1788] (editor-in-chief of WENXUE PINGLUN [LITERARY CRITIC]); Li Honglin [2621 3163 2651] (president, Fujian Academy of Sciences, retired in Beijing); Wu Zuguang [0702 4371 0342] (playwright); Zhang Xianliang [1728 6343 0081] (writer, vice president of the Ningxia Federation of Literature and Art); and Liu Xinwu [0491 1800 2976] (editor-in-chief of RENMIN WENXUE [PEOPLE'S LITERATURE]). Because public opinion abroad reacted strongly to the disclosure of these names, and furthermore, because acting secretary general Zhao Ziyang, appointed at so critical a time, tries his best to reduce the area of attack, only three prominent figures were at this stage expelled from the party, and Liu Xinwu had his investigation suspended, while nothing much was done, for the time being, in the case of all the other "liberalization elements."

However, the "trouble" that Deng Xiaoping hoped would quickly pass away has not yet passed away, and strife is continuing. There is no saying whether the "liberalization elements," whose names appear on the list, will not one day become innocent victims to be sacrificed.

It has been disclosed that Wen Yuankai has indeed received permission from the proper authorities to go to Japan on 23 April to lecture at Kyoto University; he is to return to China on 2 May. But friends close to Wen Yuankai have told me that Wen is having a hard time and is currently under great pressure. Some ill-intentioned people spread rumors about him far and wide. Still, his greatest vexation comes from within the Science and Technology University; he finds himself constantly the target of overt and covert attacks. The said university has recently made great progress in superconductor research. Although Wen Yuankai was one of the four main members of the research team, the Hefei XINHUA bureau, when reporting this news, intentionally or unintentionally mentioned only the other three members of the team and not Wen Yuankai.

Moreover, some people in the know revealed the following story: Most of the copies of the book "Reform and National Renovation," jointly authored by Wen Yuankai and one of his students, (published by the China Youth Publishing Co), have been sealed up in the warehouse, awaiting disposition by higher authority, after only a few copies had been issued earlier. There is also the case of the book "Renovation of the Structural Content of Chinese Traditional Culture--Wen Yuankai Discusses Reform," to be published by the Shanghai People's Publishing Co, now also said to be "not possible to be printed."

Since Wen Yuankai is said to have been blacklisted, some leading cadres in units that only last year vied with one another to invite him to lecture and give scholarly reports, are now keeping a respectful distance from him, even temporarily canceling projects for which arrangements had been made.

## Is It Certain Reformers Always Come to No Good End?

Although pressures appear to be intangible, they still give Wen Yuankai a feeling of suffocating. He is constantly being drawn into controversies, especially in the last few years, controversies have become his inescapable fate. Gossip and slander that besiege him all the time hamper every step in his efforts at reform. However, be that as it may, according to my observations and understanding of Wen Yuankai, and according to the long discussion I had with him last year on two occasions, I have every reason to believe that he is fully capable of handling his environment and of conforming to the trends of the time. He will raise the sail of his life to sail against all oncoming storms and will rigorously venture forth without relenting.

The Chinese nation wants to soar high up but its wings are very heavy. "Wen Yuankai, let me caution you, if you really want to achieve something in your lifetime for the benefit of the Chinese nation, you have to have courage!" This was an admonition from one of Wen's deceased friends. In China, the torch of truth "often burns the hands of those who raise it." Wen Yuankai told me with a bitter smile: "Someone categorically stated that every reformer will surely come to no good end! Where is there a successful reform in Chinese history? It is a fact that anyone who attempted reform ran into bad luck, was criticized and purged."

This brings to mind what an official of the State Council recently frankly told me: "The reformers frequently hit the target and bring their target down, but those people who will later do the purging will never say that the reason they purged you is that you engaged in reform, they will rather say that your reform was not effective."

This is really a clever idea: "A thief crying 'stop thief,'" a precious formula directly transmitted down to us from our ancestors. If you think it over carefully, China has raised so many loafers doing nothing but belching and picking their teeth with toothpicks; these people have so much energy left, why should they not give some thought to purging someone to while away their time!

"My own honor or disgrace, success or failure, are of little account, as long as the momentum of China's reform is not broken. Reform impinges on the vested interests of people. China's old traditions have never encouraged trailblazers and initiators. The fate of the reform now depends to a great extent on the resolution and active measures of our leaders in the Central Committee. Reform is an arduous, protracted, and tortuous task," says Wen Yuankai.

He is to be considered a propagator of the reform ideology. In his notebook he recorded the forthright statement: "Advocate reform, promote reform, realize reform, spread reform." He has authored at least eight monographs on this topic. We truly hope that devoting his life so unreservedly to the mighty current of reform will indeed realize the great aspiration of "uplifting China."



Well-meaning people have cautioned him in the past: Don't you know how reformers have fared in China's history? Why should a puny scholar hanker after reform?

His reply is: "Without a sense of historical responsibility, a person does not deserve to be called an intellectual no matter how great his knowledge."

#### Scientist, Reformer, and Social Activist

Before the 1986 student unrest, Wen Yuankai's reputation was greater than that of former vice president Fang Lizhi of the Science and Technology University. He is China's youngest professor and a scientist of wide renown, also a social activist with a profound and broad influence. Not only do all young students adore him, but he is also the picture of a true "he-man" in the eyes of the female students at Beijing's universities. He is also warmly welcomed by business circles, because one of his pointers or suggestions had been able to revive a factory or an enterprise. His exceptional ability has earned him the recognition and esteem of such leaders in the Central Committee as Wan Li and Fang Yi.

He was born in 1946 in Shanghai. Only 41 years old this year, he has already published over 50 scientific articles in China and abroad. He has authored over 10 scientific monographs, translated 8 books, and written 9 books on the competition between enterprises that had undergone reform and on the training of well-qualified personnel. Besides this, he holds as many as 30 social and academic positions and positions in learned societies, and also has guided 5 candidates for master's degrees.

As to his scientific research, his research, carried out jointly with Chen Nianyi [7115 1819 6318] and Yang Pin [2799 7340], on the functions and application of bond parameters won the rewards for important scientific and technological achievements from the All-China Science Congress and the Chinese Academy of Sciences. His research during the last 10 years has been along such lines as theory of chemical bonding, functional relations in inorganic structures, quantum chemistry, and quantum biology. His work was concerned with mineralogy, geochemistry, medicine, biochemistry, and other such scientific fields. He is preeminent among China's young specialists in quantum chemistry, specialists whose numbers can be counted on the fingers of one hand. He is currently professor of the applied chemistry department and head of the chemistry teaching and research section of the Chinese University of Science and Technology. The double-hump effect of the lanthanum system, which he pointed out, has been included in "Inorganic Chemistry," a textbook compiled by the engineering colleges of the country, with Dalian Engineering College as chief editor. The numerical values of crystal lattice energy, worked out by Wen Yuankai together with Shao Jun [6730 0193], has been included in the "Biochemistry Handbook," which is of international repute, and is referred to as the "Wen-Shao formula."

Wen Yuankai knows four foreign languages; his resume states: "English--able to converse fluently and to give scientific reports, highly proficient in reading and translating specialized publications; French--able to converse fluently, to give scientific reports, and to read specialized publications.



German--initial capability to read specialized articles with the help of dictionary; Russian--initial capability to read specialized articles with the help of dictionary."

#### He Proposes Reform in the Structure of S&T Instruction

In February 1980, Wen Yuankai was sent as visiting scholar to France, where he did research at the Curie University and the Institute for Physical Chemistry and Biology, which is part of the French National Center for Scientific Research.

During his 800-plus days and nights in France, he accomplished several achievements, also finished and published six scientific articles. A biologist at Harvard University in the United States, Professor Calabrese, praised Wen Yuankai as having "accomplished creative achievements of a pioneering nature."

At the invitation of foreign scientists, Wen Yuankai toured France, Belgium, the FRG, Holland, Great Britain, Italy, the United States, Switzerland, and Luxembourg to engage in scientific exchanges. He visited 34 universities and research centers in 9 countries and gained an understanding of the experiences of the various institutions of higher learning and their teachers as regards management of science and technology and training of talents in the various fields; he studied how talented scientists were able to create a suitable "macroclimate." He came to realize China's backwardness in many fields and China's need of reform.

On his return to China, he did some comparative studies and put forward an eight-point proposal for the "Reform of the Structure of Scientific and Technological Instruction," which included: First, implementation of a responsibility system for heads of teaching and research sections, with the party branch secretaries to exercise supervisory and support functions according to the party constitution, and the heads of teaching and research sections being appointed by the superior authority and to be responsible to the superior authority. The heads shall be authorized to choose their own secretaries, who are to assist the heads in dealing with routine tasks. Second, in the personnel system, a system of contractual engagements shall be instituted, the heads to have authority to reduce and transfer staff, and in case of a shortage of staff, to have authority to invite job applications and employ staff. Third, raising their own funds, allowing staff and workers to do concurrent teaching and hold concurrent jobs to earn remunerations in addition to their regular pay. Heads shall be authorized to allocate funds raised by the teaching and research sections themselves. Fourth, the reform shall accomplish an improvement in the quality of instruction and of scientific research, increase the service being rendered to the people, etc. He believes that the core problem of the reform is liberating the productive forces of the intellectuals, and that the key is broadening of autonomy and further progress in overcoming the drawbacks of the current system. These proposals were sent directly to Vice Premier Wan Li, whose written instructions were received back within a month, also sent to the party secretary at the Science and Technology University for specific execution. The proposed ideas were deemed "appropriate for trial implementation; support and guidance by the Science and Technology University is requested." This

started the trend of organizational reforms to spread from the Chinese University of Science and Technology to all institutions of higher learning throughout the country.

As early as 4 August 1977, Deng Xiaoping personally presided over an All-China Symposium on Scientific and Technological Work, at which Wen Yuankai courageously presented proposals for the reform of the current system of recruiting students by the institutions of higher learning, proposing "voluntary registration, approval by the leadership, unified examinations, selection of the best as students."

Deng Xiaoping's immediate reaction was: "These suggestions are very good. As I see it, they can be accepted to three-quarters. However, the second point, I am afraid, should be somewhat altered, otherwise if someone has bad relations with the leadership and they withhold approval, what could he then possibly do?"

Wen Yuankai furthermore proposed a system of training personnel, emphasizing intensified intelligence investment, establishing scientific instruction organizations outside the universities, strengthening the publication of scientific reading material for children, planning the establishment of research centers for various disciplines, in order to nurture a contingent of scientists. The whole set of Wen Yuankai's proposals received the praises of Deng Xiaoping. At the informal banquet at the conclusion of the symposium, Deng Xiaoping told Wen Yuankai: "You are the youngest among the delegates here, only 31 years old. I hope that when you get to my age you will accomplish even greater achievements."

There were 33 delegates at the said symposium, most of them were the leading personalities from China's science, technology, and educational circles and scholars of high prestige and universal respect. That it was possible for Wen Yuankai to squeeze in and participate at such an important meeting shows the esteem for him among the authorities.

#### Creative Talents

In July 1983, Wen Yuankai, together with Xu Liyan [6079 4539 6056] and Zhang Wenyu [1728 2429 6735], proposed the formation of a Chinese Society for the Study of Creativity and later held the first All-China Symposium on the Study of Creativity in Nanning, Guangxi Province. At the symposium, Wen Yuankai called for the nurturing of creative scientific and technological talents to replace the bookish university graduates produced by the traditional educational process. He emphasized that this issue of nurturing the creative abilities of youths should be made an item of extreme importance. Creative S&T talents should possess the following seven abilities: 1) ability for creative inventions; 2) to undertake scientific research; 3) to organize and manage; 4) to obtain information and intelligence; 5) to verbalize; 6) to write well; 7) and to be good at social intercourse. Once he had publicized these demands, there was a very strong favorable reaction. Some institutions of higher learning introduced the study of creativity into their classroom teaching, and instruction in creativity became a new topic of research in the field of education.

In May 1984, Wen Yuankai, jointly with Deng Xuchu [6772 2485 0443] and Bu Xinsheng [2975 9515 3932], sponsored at Hefei in Anhui Province a Scientific Symposium on the World's New Technological Revolution and the Need for Structural Reform. In addition to his proposal that the system of scientific instruction undergo a process of reform in order to meet the challenge of the world's new technological revolution, Wen Yuankai also pointed out that information, knowledge, and talents will more and more become the key to economic development and social progress. At the time of the Second Session of the Sixth NPC, he explicitly put forward the new concept of nurturing S&T talents of "entrepreneurial type," as he believed that among the S&T talents that the present society needs some should be entrepreneurs, who, on the one hand, must have modern S&T knowledge, be of high intelligence, capable of analyzing and solving problems, and, on the other hand, also be knowledgeable of economics and trade, capable of developing relations with the outside world and apt at achieving economic results.

Wen Yuankai works every day in a way that puts a great mental strain on him, and the amount of information he takes in and gives out is amazing. For a long time he kept reading 60 to 70 scientific publications, gaining knowledge of current developmental trends in the natural sciences. His mind is like a general with a powerful army of a million soldiers, an army that can at any time attack the most advantageous target. This enabled him to conquer so many positions within a very short period of time. No wonder some call his way the "Wen Yuankai efficiency."

#### The More Work, the More Attacks Suffered

However, Wen Yuankai's progress did not proceed on an undisturbed straight forward line. In the last few years, with increasing work performance, he suffered a proportionate increase of attacks. Oriental-type jealousies are most frightening: What I can't do, I will also not let you do. Faultfinding started with political and economic things. When this did not work, people concocted stories of love and sex, and spread rumors and slander. A vivid description of the Chinese situation is: One man does a job, 3 men oppose, 5 men investigate, and 10 men gossip.

For a certain time, some criticized Wen Yuankai of "not being engaged in honest work" and even ridiculed him as being the country's greatest "grandiloquent exaggerator." Some also said that he has over 1 million yuan in his bank account. Some have suspected that his motivation for devoting himself to reform is his scheme to push his way into politics.

It is interesting that the student union at the Science and Technology University some years ago carried out a public opinion poll of a social nature on Wen Yuankai's reform plan. They distributed several thousand questionnaires in factories, government agencies, schools, news organizations, and scientific research units. The result revealed that the vast majority were highly enthusiastic, supportive, and concerned about the reform. There were also some who indicated that they had nothing to do with the reform and that they had no interest in it. Some also declared that they resolutely opposed the reform, and that it would be best for China not to reform. As to

the prospects of the reform, people also held contradictory views; some were full of confidence, some doubted, some felt they had no control over things, some expressed pessimism, and some predicted it would fail.

It is well said by Wen Yuankai: "I feel like standing in the midst of a western gust, but I have not been blown down."

9808

CSO: 4005/706

CLOSE ASSOCIATE'S LETTER DISCUSSES LIU BINYAN

Hong Kong CHIUSHIH NIENTAI [THE NINETIES] in Chinese No 208, May 87 p 22

[Article by Wei Er [0251 3643]: "Liu Binyan's Close Friends Talks about Liu's Present Conditions"]

[Text] His admirers are mostly civilians, while his slanderers are mostly persons in power. His expulsion from the party had not been discussed at a party branch meeting, and, more important still, was decided despite majority opposition. He is the most difficult person to discredit, and is still in high spirit.

Three well-known intellectuals, namely Liu Binyan [0491 6333 7159], Fang Lizhi [2455 0536 0037], and Wang Ruowang [3769 5387 2598], have been expelled from the Party and "reclassified." Since then, both Fang and Wang have briefly and on rare occasions appeared in the press, while Liu is like a rock at the bottom of the sea. What is his present situation? How do people in and outside the Party feel about him in China?

I am an overseas Chinese trader. From the letter of a former schoolmate, who is now a professor in the top institute of higher learning in China, I incidentally learned that his wife is a close friend of Liu Binyan. My friend himself is an intellectual of a high level and an old-time party member. I, therefore, thought of getting some news about Liu through his close friend. My friend's views may not be exactly objective; they may nevertheless serve as some important material for people studying Liu Binyan's problem abroad. My friend has satisfied my inquisitiveness, and following is his latest letter giving me some details of Liu Binyan's conditions.

Brother Wei Er:

Since you want to know about Liu Binyan's actual conditions, let me present some tentative views based on what I know.

In the past, some Chinese literary critics called Liu Binyan grand master. In my opinion, he deserves this title! Everyone in my family (and millions of others) adore him! In fact, he is not only a man of letters, but also a thinker and a statesman. I do not know how it is in Hong Kong; but in the mainland, his admirers are mostly civilians, while his slanderers are mostly persons in power. Comparing the admirations with the slanders, we can see his uprightness and greatness.

The criticism against him and his expulsion from the party have shocked the world! The normal phenomenon, beginning to return after 1987, is now almost completely wiped out. History, and history alone, can render a just verdict! What makes people unhappy is not the dismissal of a few persons, but the strangling of a way--a progressive way--of thinking. As I know, he is a scholar truly with the interests of the country and the people at heart. In his way of thinking, he wants above all to overcome all the evils that have been brought to light, and to help the country and society advance! Giving no thought to his own personal gains or safety, therefore, he spoke what others hesitated to speak, and wrote what others hesitated to write. Thus, he inevitably offended somebody. A dog may bite a good man, because the man happens to be a stranger! How slow is the progress of democracy! How difficult is the reform!

The attack on Grand Master Binyan's work for being "inconsistent with facts" by digging up his past is but an instance of the wanton abuse of power. It is not based on truth at all. For example, after the publication of "An Ancient Castle, Its Past and Present," (in 1985), SHUIDIAN BAO [HYDROPOWER JOURNAL] carried a long article criticizing it as "grossly inconsistent with facts." After repeated check-ups, the grand master published his "Human Blood Is Not Rouge." This time, his opponent dared not accept the challenge. Then, after the sudden change in the political climate, critical articles appeared in an endless stream. When many persons combine to attack one who cannot return any blow, can these persons be called heroes?

Some people in Shanghai attacked "The Second Loyalty" as "inconsistent with facts." Actually, these people were "attacking on only one aspect regardless of the others." The hero's brave deeds, as exemplified by his letter to the Central Committee in 1952 criticizing the erroneous leftist line, his compilation and publication of "Quotations from Lenin" as a protest to the "cultural revolution," and his one-man campaign for the vindication of the Tiananmen Incident which, as a result, landed him in the death row, are something which his slanderers dared not think of, much less perform. None of the formidable array of articles in various journals dared to touch on this issue! As to inconsistency with facts, it is true that the hero of the story has some shortcomings--the shortcomings of everyone, and most of all, the slanderers.

The expulsion of Grand Master Binyan was announced without previous discussion at the party branch meeting, without listening to his own views, and, worse still, regardless of majority opposition. During the "antirightist" movement 30 years ago, many meetings were held with the culprits attending and their mistakes neatly listed. Yet, what has happened this time may be considered an improvement, since he was not "labeled" or called any type of "element." The only difference is that he received only one letter in 1957, and had contact with only two old friends in the following 22 years, whereas this time, he receives every day not only visitors, but also letters, telegrams, and even gifts from people he does not know. The grand master is much gratified. The time has changed, and the history of the past 30 years still has something to its credit after all.

Liu Binyan originally planned to take a long leave, but his request was turned down by the secretariat of the Central Committee, as we have heard. He is not even a party member, also thanks to the secretariat's decision. Now he has left RENMIN RIBAO, and joined the Chinese Writers Association. As a "professional writer" (and retaining his title of vice chairman), he has the opportunity to read and to take physical exercise. His days of worry and running for life are over. Of course, he is by no means idle. He plans to study the history of the 24 dynasties first and then some books on philosophy and literature.

The authorities in Beijing have discovered that among the trio, Liu is the most difficult one to discredit. They have organized special groups for the sole task of criticizing him, but, unfortunately, cannot find the competent persons. Yet rich rewards can attract brave men. That was how an article appeared first among others in an issue of XINWEN ZHANXIAN [NEWS FRONT], trying to criticize him again. He still cannot be discredited. What can they do? Will they launch a surprise attack? It is hard to tell.

9411

CSO: 4005/713



REPORT ON NOTED INTELLECTUALS EXPELLED FROM CPC

Hong Kong CHING PAO [THE MIRROR] in Chinese No 4, Apr 87 pp 30-31

[Article by Meng Meng [1322 4145]: "News about Fang Lizhi, Liu Binyan, and Wang Ruowang after their Expulsion from Party"]

[Text] Readers at home and abroad are, as I believe, concerned with the present situations of Fang Lizhi [2455 0536 0037], Liu Binyan [0491 6333 7159], and Wang Ruowang [3769 5387 2598], who were expelled from the Party after the student movement. I have obtained some news about them from some friend on the mainland and will pass them on to the readers as follows:

Thousands of People Saw Fang Lizhi off on His North-bound Trip

Expelled from the Party, Fang Lizhi was also removed from his post as vice president of the Chinese University of Science and Technology and assigned the job of researcher in the Beijing Observatory. He is not permitted to talk about politics or to have any administrative duties. He will have more time for research, as he said. Formerly, he wrote about 15 theses each year, and the number is expected to increase this year.

On 28 February, Fang attended the fourth congress of China Physics Society and delivered an academic report entitled "Advances in the Study of Universe." My friend told me that these activities were specially arranged by the authorities concerned. This shows the difference between the current policy and those of the ultraleftist era. Since his "public appearance," some science and technology magazines, such as GAONENG WULI [HIGH ENERGY PHYSICS] and WULIXUE JIN ZHAN [PROGRESS OF PHYSICS], have invited him to contribute articles. Fang himself plans to compile his academic writings into books, but whether or not these books can be published is still in question.

It was rumored that when Fang Lizhi left Hefei to take up his new job in the north, thousands of teachers and students of the university thronged the railway station and shed tears on seeing him off. Furthermore, 400 "conservatives" of the Chinese Science and Technology University formed a team to escort him on his Beijing trip. The team also carried a streamer bearing these words: "No persecution against Fang Lizhi allowed." This team was halted at Fengtai, one stop before Beijing. The streamer was confiscated, and the team was "persuaded to return" to Anhui. Professor Fang was taken in a

special limousine to Yanyuan to rest, because his wife was working in Beijing University. Here, Fang Lizhi spent most of his time reading letters from the people. These letters were like, in Beijing slang, "lions on Lugouqiao Bridge--too many to be counted." Some one suggested that this slang be changed to read "Fang Lizhi's personal letters--too many to be counted."

#### A Storm over Question of Liu Binyan's Leaving or Remaining

The phone calls received on the Spring Festival (first day of first lunar month) by Liu Binyan and his wife Zhu Hong [2612 3163] was more than they expected. On the same day, 27 guests came to offer their seasonal greetings, and most of them were not Liu's close relatives or intimate friends, according to a report. Since his expulsion from the Party, the question of his work and means of living has become a matter of great concern to everyone. This big Shandong fellow of 62, with numbness in his left arm and left leg, is now under treatment by a famous doctor in Beijing Xiehe Hospital. At 2:30 pm 13 February, Liu appeared in the auditorium of the Working People's Cultural Hall. He drank tea and chatted with Yu Haocheng [0060 3185 2052] at the same table at a get-together held by the Chinese Writers Association. He talked cheerfully and humorously and showed no sign of serious health problems. When some young and middle-age writers rushed in to pay their respects, Bao Chang [7637 2490], secretary of the Chinese Writers Association, was also present. He plainly said that there was no news of Liu's "dismissal." I tried to verify this report with my friend who was close to the new leaders (in fact, they were old leaders returned to their posts) in the literary and art circles and was told that, to all appearances, Liu Binyan may remain as chairman of Chinese Writers Association, unless he showed signs of "uncontrollable" behavior again. My friend told me that the party organization of Chinese Writers Association had written to the Propaganda Department of the Central Committee for instructions, and He Jingzhi [6320 2417 0037], the deputy minister in charge of literature and art, commented: "The meeting (to discuss Liu's dismissal) will not be held for the time being. We should not go to extremes in handling this matter." Minister Wang Renzhi [3769 1804 0037] expressed his "concurrence with Comrade Jingzhi's views." Decision by the higher authorities is still pending.

On 10 February, the chief of cadres department of RENMIN RIBAO was instructed to talk to Liu, and to tell him that the higher authorities had decided to transfer him to the Chinese Writers Association for "work." Liu wanted to be on long leave in RENMIN RIBAO, but his request was disapproved. Later, he expressed his willingness to accept the authorities' assignment. On the following day, the chief called on the party organization secretary of the Chinese Writers Association with the request that the association would accept Liu as "one of its personnel and on its payroll." The secretary asked whether Liu would attend to any routine work each day, and the answer was negative. The secretary again asked a difficult question: "When he has joined the Association, who will handle his outstanding problems?" The chief from RENMIN RIBAO replied: "We will be responsible for all that has been publicized in RENMIN RIBAO, but not the others." Liu's specific job is still uncertain.

## Wang Ruowang's Dismissal, Some Shanghai People Withdraw from Party

Wang Ruowang enjoys fairly high prestige among Shanghai's young intellectuals. When his expulsion from the Party was publicized, many youths, including the young professors of some universities, sympathized with his "misfortune." Some of them, who were party members, took it so hard that they immediately wrote to their party branch about their withdrawal from the party in indignation.

Wang received many "comforting letters" after his expulsion from the Party. One of these letters, from an individual household, said: "In Shanghai, you have given us the strongest support, and we are gradually becoming well-off. If you have any difficulty, please let us know. We will certainly help you."

When the news of Wang Ruowang being summoned for interrogation spread overseas, the department concerned arranged for his "public appearance" during the Spring Festival. Wang "went along" with the idea and attended a Spring Festival get-together on 31 January. It was rumored that when Wang fell ill and the department concerned heard about it, Mrs Wang was granted leave with pay so that she could attend to her husband at home.

Wang Ruowang was said to have refused to sign the paper concerning the decision on his expulsion. Some people admired his "integrity," but other had the worry that since he did not "take shelter" after the start of the "antibourgeois liberalization" movement, his defenders may get into trouble on his account.

Although the "public appearance" of Fang, Liu, and Wang after their expulsion from the Party has somehow alleviated people's worry, the authorities concerned, as my friend said, are planning to criticize their "erroneous views" more forcefully.

## Liu Zaifu Unwilling To Return to Former Post

On 6 February, He Sheng, Party Committee of Chinese Academy of Social Sciences held a meeting, attended by more than 20 persons, specially for the purpose of handling the problem created by WENXUE PINGLUN [LITERARY COMMENTARY], a large theoretical journal with Liu Zaifu [0491 0375 as chief editor and He Xilai [0149 6007 0171] as deputy chief editor. It will be recalled that last year, this journal carried an article by Liu Binyan (probably entitled "A Layman's Discussion of Fiction" the general purport of which was that creative literary work, if divorced from social realities cannot be welcomed by people, and that fiction must reflect these realities.) In January this year, an order was received for this article to be banned. The Chinese table of contents was rearranged, but because of some oversight and the pressure of time, the English table of contents did not receive the same treatment. The title of Liu Binyan's article in the English table of contents was only covered with black ink. Since the ink color was not dark enough, some traces of the English words were still visible. So the journal was caught doing something wrong. Some people believed that Liu Zaifu deliberately "opened the skylight", and "treated the communist party in the same way the Kuomintang was treated. This is intolerable." Therefore, they decided to fire both Liu and

He. However, Liu Zaifu clearly saw what was coming to him: His being "called to account" was only a matter of time. Furthermore, because he was more interested in education than in officialdom, he immediately tendered his resignation to President Hu.

Three days after his departure, his "reinstatement" was announced by a certain bigwig. However, Liu positively refused to return to the editorial department, and his former post had to be filled by He Xilai, former deputy chief editor.

9411

CSO: 4005/713

ARREST OF STUDENT PROTESTER YANG WEI DISCUSSED

Hong Kong CHENG MING [CONTENDING] in Chinese No 114, Apr 87 pp 58-59

[Article by You Zhi [3266 5365]: "Shock Over the Injustice Inflicted on Yang Wei"]

[Text] "Settling accounts after the autumn harvest" has always been a trick at which the Chinese Communists have been expert. After the intensified movement against bourgeois spiritual pollution, life was made increasingly difficult for all students who had participated in the student movement. "Grapevine" information reaching us from various sources confirms that many students had been made to "quit school." Of arrested students, the only names that have become known outside of China are those of Lin Jie [2651 2638] of Tianjin and Yang Wei [2799 1550] of Shanghai. The reason why their names became public has to be ascribed to their having the advantage of "overseas connections." Lin Jie was found guilty of a crime because of his contacts with AFP correspondent Lawrence MacDonald, and Yang Wei's wife, sister, and brother-in-law are in the United States. It was only after the news had been disclosed through these intermediaries abroad, that the Chinese authorities concerned were compelled to acknowledge the facts. It well deserves our further thought, how many other students may have been gobbled up by the big jaws feeding from the bloody platter of proletarian dictatorship?!

Surreptitious Arrest of Yang Wei at his Home

The WASHINGTON POST on 31 January was the first to reveal that Yang Wei, who had earned his master degree in the United States, had been arrested in Shanghai for supporting the student movement. Next day, the NEW YORK TIMES and AP as well as Chinese language newspapers also published this news.

Yang Wei was born 1955 in Shanghai, both his parents are members of the CPC. In 1981 he graduated from the biology department of Fudan University, Shanghai. In 1983 he was sent to the United States to study cell and molecular biology as a self-supporting graduate student at the University of Arizona, where he received his master's degree in 1986. In May of that year he returned to Shanghai and married. Since his scholarship for a doctorate had not yet materialize, he remained in China, awaiting developments. While making preparations for his departure for the United States, the nationwide

student movement, which shocked the whole world, erupted all over the country, the student movement at Shanghai's universities attracting particular attention.

On 11 January Yang Wei was secretly arrested in Shanghai at the home of his parents. The police had no arrest warrant, nor did they inform them of any criminal evidence, they merely stated that he was "detained for interrogation." They also carried out an illegal search of his home and seized some student movement leaflets and notes in which Yang had recorded his thoughts on the student movement. The police also threatened Yang Wei's parents not to breathe a word to anyone, particularly not to inform Yang's wife, who was then studying in the United States. Since the time he stepped into the prison van, Yang Wei's whereabouts are unknown to this day, and his relatives were also forbidden to make inquiries.

#### How To Construe a Specific Charge?

When asked by the UP Shanghai correspondent on 2 February, an official by the name of Wang Mingyang [3769 2494 7122], who is charged with foreign affairs in the Shanghai Municipality, verified the news that Yang Wei had been arrested. This was the first official acknowledgment of Yang Wei's arrest, but Wang Mingyang declared that he was not clear as to what the specific crime that Yang Wei is charged with.

First, to mention the "specific crime" was Ma Jinping [7456 2417 1627], Chinese consul general in New York. He said at a meeting of Chinese students at Ohio State University on 12 February: "Yang Wei was arrested because he opposed the 'four cardinal principles' and the 'four insistences,' which means that he opposed the revolution." As soon as he uttered these words, which are so reminiscent of the tune of the Cultural Revolution, there was great consternation among his student audience.

The most authoritative "answer" should be the "official document" of the State Education Commission on the case of Yang Wei. On 17 February, the full text of this document was officially transmitted to Yang Wei's wife, Che Shaoli [6508 1421 5461], by Wang Xianwen [3769 8300 2429], an official of the Chinese Consulate at Houston: "Yang Wei was arrested according to law for putting up reactionary and 'big-character' posters, for sending out and distributing reactionary propaganda material, and for inciting students to create disturbances." However, the officials were unable to give a detailed definition of the term "reactionary."

As Che Shaoli remembers, Yang Wei had indeed sent her some notes on the Shanghai student movement, but his were merely "factual records" of the situation as it existed at that time, and he did not add any critical remarks. He had sent them to his wife to have her understand the true conditions of the student movement, and not for the purpose of publication. Unexpectedly, this was construed as "spreading reactionary propaganda material."

It is food for thought that Yang Wei's notes on the student movement were dated 22 December of last year, and that he was arrested on 11 January as a consequence of these notes. His letter was able to reach the United States,

but had undoubtedly passed strict censorship. As to the assertion that he "incited students to create disturbances" and "put up reactionary and 'big-character' posters, it appears that the source for all this must have been the meritorious work of the Chinese Communist secret service, who are apt to follow up clues obtained from photographs, in addition secretly opening letters sent abroad, making use of them to fabricate charges. It was only a short time ago that He Dongchang [0149 2639 2490] proclaimed in all sincerity that there will be no prosecution of students who participated in the student unrest. Some officials, furthermore, said that no harm will come to the students from photographs taken by the police. Facts have proven that CPC promises are really "sheer poppycock." No wonder one Chinese overseas student told me that communist talk is best understood if taken at its converse meaning. Looking back at Chinese Communist activities during the past 30-odd years, this phrase is axiomatic truth. During the Mao Zedong era, there was the Great Leap Forward, which was a great leap backward; the assistance to the party in rectifying workstyle was a trick to have dissenters reveal themselves; the great proletarian Cultural Revolution was a death blow to culture. And the Deng Xiaoping era too is an era of absurdities. They beat their breasts and assured everyone that no more "political campaigns" would be staged, but after ruling for less than 10 years, they started up one political campaign after the other: the antibourgeois liberalization, and antispiritual pollution campaigns, and winking at and even encouraging the way Hu Qiaomu [5170 0829 2606] and Deng Liqun [6772 0500 5028] were hitting out against the people by wielding the big stick of leftist extremism.

#### What Course Are Chinese Overseas Students To Follow?

The Chinese Communist workstyle of always going back on their words, while admittedly bringing immense suffering to the Chinese people, can in the long run also serve as a kind of catalyst. It awakens the people to the true character of the Chinese Communists and allows them to clearly realize this character. Yang Wei's case has badly shaken and frightened Chinese overseas students in all countries, especially those who have uttered some opinions or acted in certain ways in the free world. They have lost their peace of mind out of the fear that they will suffer the same fate as Yang Wei when they return to China. In February, nine government-supported Chinese students applied in spontaneous consensus to the French Government for political asylum. This recordbreaking action deepened everyone's sense of danger. It is said that many students who are to return to China in March are now, one after the other, preparing to extend their stay in the United States, because they signed the open letter in support of the student movement on the mainland, some even have immediately applied for political asylum. How sad! A group of outstanding national talents are being deprived of the opportunity to devote themselves to the service of their country!

#### American Public Opinion Pays Close Attention to This Case

It is noteworthy that the Yang Wei case has attracted worldwide attention, particularly also in the United States. Chinese students at Harvard University and American citizens have organized a rescue committee. Both houses of the U.S. Congress are also paying close attention to this case. On 5 February, the chairman of the Human Rights and International Organizations



Subcommittee of the U.S. House of Representatives, Democratic Congressman Yatron, sent letters to the Chinese ambassador to the United States, Han Xu [7281 0650], and to the U.S. State Department demanding clarification of the case of Yang Wei. Furthermore, Republican Senator Helms, ranking Republican in the Foreign Relations Committee of the U.S. Senate, proposed a resolution aimed at the present human rights conditions and political retrogression on the mainland. In addition to the names of Wang Ruowang [3769 5387 2598], Fang Lizhi [2455 0536 0037, and Liu Binyan [0491 6333], the resolution particularly mentions the case of Yang Wei. It is suggested in the resolution that the U.S. Government extend the residence permits of students from the mainland for the time until the human rights condition on the mainland is clarified, giving students who participated in and supported the students movement "extensions until they wish to voluntarily leave the country."

If this resolution is carried into practice, I believe many Chinese students studying in the United States will not return to China. "We are patriots, but under the rule of the communists we are turned into criminals guilty of treason," one student, who had signed his name to the open letter, said most sorrowfully, "Good Heavens, what moral principles are these!"

How have events affected the thinking of Che Shaoli, Yang Wei's wife, and daughter of a former deputy commander of Jiangsu Province? When she agreed to be interviewed, she said: "In my opinion Yang Wei's way of thinking and his actions do not go beyond the thinking and action of the overseas students who signed the open letter. In my opinion the crimes the Chinese Communists accuse Yang Wei of are all fabricated charges. The way the conservative elements in the Shanghai Bureau of Public Security treat Yang Wei is in my opinion cause for anxiety for the safety of all overseas students who have signed the open letter. I believe that if all overseas students who have signed the open letter would have been themselves in the midst of the student movement, they would all have stood up and joined in. Because Yang Wei's fate is truly linked with that of all of us, I feel we should rise up and rescue Yang Wei, because rescuing Yang Wei means ensuring our own safety."

The call to rescue Yang Wei comes from all quarters, and we hope the Chinese Communists will think twice before taking further action and will release Yang Wei at an early date.

9808

CSO: 4005/705

ANTIBOURGEOIS LIBERALIZATION CAMPAIGN DISCUSSED

Hong Kong CHIUSHIH NIENTAI [THE NINETIES] in Chinese No 208, May 87 pp 38-39

[Article by Shi Jingtang [4258 2417 2768]]: "Anti-Bourgeois Liberalization Campaign Counterproductive"]

[Text] Since the "anit-bourgeois liberalization" campaign began, university students and young intellectuals, with the present political situation in mind, have come up with the so-called "new four cardinal principles":

"No liberalization,  
No expansion of democracy;  
No stepping-down for Xiaoping;  
No criticism of the government."

These "new four cardinal principles" concretely and accurately convey to us what the "anti-bourgeois liberalization" struggle is all about. Compared to the "four cardinal principles" and the "anti-bourgeois liberalization" put forward by the Chinese Communists, the "new four cardinal principles" are much clearer in meaning.

The New "Four Cardinal Principles"

"No liberalization." This means that since the CPC has condemned "liberalization," any talk about freedom must not involve "liberalization." "No expansion of democracy." The CPC has criticized "mass democracy," so it follows that democracy must be confined within definite limits inside the party and cannot be realized on a large scale. "No stepping down for Xiaoping." Hu Yaobang committed a cardinal sin when he suggested that he and Deng Xiaoping retire together. He was forced to quit and the question of Deng Xiaoping's departure has become a taboo these days. Hence the insistence that Xiaoping must not step down. "No criticism of the government." What this means is clear. The handful of intellectuals said to have opposed the four cardinal principles have not done anything; all they did was criticize the government and party.

In Chinese politics today, not only is it impossible to sort out what "bourgeois liberalization," "socialism," "Marxism" and other terms mean, but attempts at definition are downright confusing and would leave one at a loss.

The "new four cardinal principles," on the other hand, are very concrete. If you follow them, you will not go wrong. You might be up to some little monkey business, but provided you adhere to the "new four cardinal principles," you will be fine whatever you do.

#### Increasing Surveillance on Visitors from Abroad

What is afoot in this "no-liberalization" society?

The Beijing public security bureau has imposed restrictions on visits by friends and relatives to make sure there is "no liberalization." According to an individual who has been to Beijing recently, the Beijing public security bureau and local police have gone from door to door to notify residents that in the future the police must be informed in advance of any visits from overseas visitors, be they foreigners, overseas Chinese, or Hong Kong and Macao compatriots. Of course, nothing was said about getting permission from the police station in advance, but it is clear the idea is to step up surveillance on contacts between people from outside China and local residents.

Most Beijing residents are very unhappy about the "no-liberalization" notice. They asked the police what would happen if their overseas friends or relatives just knock on their doors without telling them in advance. The police replied, "We will have to let that go."

Aware of public feelings on the matter, the local police in fact is reluctant to enforce the new regulation. But given the instructions from above, they have no choice but to let people know in accordance with the usual practice.

When they know beforehand a friend or relative wants to visit them, Beijing residents usually suggest that they meet at the hotel and remind the visitor to dress more casually so as not to advertise the fact that he is from overseas. The majority of people do not notify the police in advance as the rule requires. In any case, everybody turns a blind eye to it.

#### Broadcasting the "Liberalization" Message

The "anti-bourgeois liberalization" campaign emphasizes positive education. Apart from red-letter documents and newspaper editorials, study materials include two books of excerpts from writings and speeches on bourgeois liberalization. Both collections are made up of extracts from the articles, lectures, and speeches of Fang Lizhi [2455 0536 0037], Wang Ruowang [3769 5387 2598], and Liu Binyan [0491 6333 7159]. One comprises relatively intact extracts and is studied only by cadres above the department-head level so that they can conduct propaganda and educate the masses. The other collection consists of bits and pieces of excerpts, all taken out of context, for the consumption of the rank-and-file cadre and high school students.

According to a Hong Kong resident who has extensive contacts with mainland cadres, no comrades he came across who have read the book of fairly complete extracts failed to praise the vision and integrity of the three intellectuals who have been dismissed. They find Fang Lizhi's ideas particularly admirable.

As the press rarely carried his stuff in the past, people knew him only as a scientist. It was not until they read his speeches and writings on democracy, human rights, and freedom did they realize the profundity of his learning in such areas as social science and philosophy. In this sense, it is the Chinese Communist authorities, now so actively engaged in the "anti-bourgeois liberalization" campaign, which are most extensively spreading bourgeois liberalization.

#### "Anti-bourgeois liberalization" Studies Offer Bonus as Bait

The other collection of excerpts, to be read by ordinary cadres and high school students, consists of incoherent fragments of quotations. Many people can tell right away that they are all taken out of context and immediately lose interest.

While rank-and-file cadres may ignore the book, high school students taking political courses are examined on it, along with other "anti-bourgeois liberalization" documents and editorials. Thus they must study it unless they do not take political courses, which is what many high school students, disgusted with this out-of-context variety of "mass criticism," choose to do. They would rather take some other subject.

In order to be able to report to the higher authorities that they have fulfilled their duty, some high schools in Guangzhou have hit upon the bonus idea: if a student selects the political course, he will be given a bonus of between 3 to 5 yuan. Even this move had limited effects. Political instructors then make another concession: they tell the students beforehand the scope of the examination to save the latter study time. That has worked much better. Many students take this shortcut to scoring a high grade in the course. Some political instructors go even further: they strongly hint to the students in advance what questions will not appear in the exam paper and, in addition, offer bonuses. Only with this double incentive can political courses draw students.

The school authorities are helpless; after all, they have to report to the higher authorities how they are carrying out political and ideological education in the "anti-bourgeois liberalization" campaign. Nevertheless, their very actions tell adolescents and young people just how hypocritical the "anti-bourgeois liberalization movement" and "upholding the four cardinal principles" are.

#### 30 Percent of College Students Abhor Politics

The Communist Youth League not long ago did an opinion survey on students at several colleges and universities in Beijing. It was conducted anonymously and the population was a fairly representative sample. The survey was done to provide information on the ideological state of today's college students for the reference of the league's central committee and the CPC Central Committee so that they can "do a good job in young people's ideological work."

Survey results have been published in ZHONGGUO QINGNIAN BAO. According to the newspaper, when asked "what do you abhor most?" 20 percent of the students said it was their parents. ZHONGGUO QINGNIAN BAO has commented on this.

But reportedly all the survey results have not been made public. The unpublished portion shows that "politics" or "politics today" was the response of 30 percent of the students to the same question about what they abhor most, a far higher percentage than the people who replied their parents.

In addition, less than 20 percent of the respondents replied "yes" to the question, "Do you think communism will be achieved?."

College students in Beijing were amazed to find that the published survey results totally fail to reflect their opinions and that some questions have simply disappeared. This only intensifies their abhorrence of and disillusionment with politics today.

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CSO: 4005/708

## DAI BANG DISCUSSES PRESS REFORM

Beijing ZHONGGUO BAO in Chinese 25 Apr 87 p 1

[Text] At a meeting of comrades of the Fujian Province press in March, Dai Bang [2071 6721], vice president of the China Journalism Society, revealed some of his own ideas on the issue of press reform.

Dai Bang considers the press to be a part of the superstructure. Economic and political changes are bound to bring about changes in the affairs of the press, which is a normal historical phenomenon. In the Soviet Union, when Lenin discussed the work and tasks of the Soviet government on conclusion of the successful October revolution, he also raised the question of press reform. With the completion of China's economic reform, great changes have occurred in journalism, as the press began to take on a multilevel and variegated structure, in which the party press stood in dominant position.

What is to be the substance of press reform? Dai Bang divided the subject into five issues: 1) Self-perfection of the organizational system and machinery of the press; 2) Continued and constantly developing upgrading of the concept of journalism; 3) Reform of journalism; 4) Updating of technological equipment used by the press; 5) Improving the quality of journalist cadres. Dai Bang believes these five issues are mutually linked. He said, "structure" we must understand to comprise such questions as the separation of party from government, press legislation, etc. As to "concept," there are some traditional concepts that should be preserved, but some old conventions which are inconsistent with the needs of the new era must be updated, some must be further developed. Reform of the business performance is a very big task; continuous improvements have to be effected wherever people complain about news reporting.

Dai Bang believes, improving the quality of the journalist cadres is the most difficult problem in the press reform. Cadre quality has many aspects, such as proficiency in political theory, general knowledge, professional performance, and professional ethics. Improving the quality of journalist cadres is the key to improving the quality of journalism. The issue of cadre quality also touches on the problem of cadre workstyle. Why could the fad of news reportage develop so easily? The reason is that reporters do not bother about gaining a thorough grasp of realities, have no understanding of the situation, and merely rely on their superficial, fanciful spirit to pick up news item; this is how press reportage easily developed into a fad. We must therefore advocate that reporters penetrate deeper into the realities and do more thorough investigations and studies.



## ROLE, STRUCTURAL REFORM OF PRESS

Beijing LILUN XINXI BAO in Chinese 23 Feb 87 p 2

[Article by Meng Xiaoping [1322 1420 1627]: "Summary of Views on the Structural Reform of the Press"]

[Text] In the last 2 years, some journalism research workers in China launched research and discussions on questions of structural reform of the press. We shall briefly introduce in the following some main viewpoints of the discussions.

### 1. Journalism is to Exercise Two Sociopolitical Functions

Any structural reform of the press requires, first of all, an accurate understanding of the functions of the press. In the sociopolitical life of a society, the role of journalism manifests itself in two respects: 1) As mouthpiece of the ruling party and the government; the press functions here as guide of upper level government guiding all lower levels. 2) By serving as a medium which enables the lower levels of society to exercise their supervisory function with regard to upper level government. In actual practice, we have in the Soviet Union a press system which particularly stresses the former function, and in the United States a press system that particularly stresses the latter function of the press. But in theoretical respects both stress only one aspect and neglect, intentionally or unintentionally, the other function of the press. In a scientific sense, socialist journalism must activate both functions in a two-way interchange. That means, the government or the ruling party may use the press for the education, propagandizing, and guidance of the people. And the people, at the same time, may use the press to investigate, supervise, and criticize the work of the government. Socialist practice in China and throughout the world has already proven that a partiality toward one of the two stated functions of the press will lead to a decline in the efficacy of journalism, and will thereby prove harmful to socialist journalism. If we are to build socialist journalism with Chinese characteristics, we must sum up China's journalistic experiences and observe the lessons of the past, reform the structure of journalism, and have the press fully exercise both of the above-stated functions simultaneously.

## 2. Establishment of a Multilevel Press Structure With the Official Party Newspaper as its Core

As it is the main function of the press to disseminate news, and since news itself is characterized by a diversity of levels, categories, and currents, and since, furthermore, the recipients of the news are of many types and present special conditions, it is only by having a journalistic structure with a diversity of levels and of differing types, that the press will be able to conform to actual needs. Based on the actual conditions in China, this structure must have a core, and this must be the official party newspaper.

A diversified structure of this nature comprises the party press structure, such as the official newspapers of the various levels of the party organization, the state press organization, such as the state news agency, radio and TV stations, and journalistic entities organized by the various organs, associations, and the masses, such as newspapers established by the general trade union, the youth league central organization, the women's federation, etc. as well as newspapers and periodicals operated by the Political Consultative Conference and the various democratic parties. It also comprises the basic-level newspapers and periodicals of factories and mining enterprises, and institutions of higher education, and similar types of newspapers and periodicals. These journalistic structures of different types and at different levels are all different in their character, policies, and in their tasks of serving the needs and tastes of their particular reader audiences, viewers, or listeners.

Corresponding to a journalistic structure of different levels, there is also need for an administrative structure of different levels, which means, there has to be one structure that mainly controls the journalistic work of the party, and one structure that exercises unified control of all the different journalistic units throughout the country, to be responsible for examination and approval, as well as for the administration of printing, distribution, and for dealing with all the various matters of the press in general and of newspapers and periodicals.

## 3. Enactment of a Press Law and Instituting Rule by Law in Journalism

In order to establish and perfect a multilevel press structure, it is necessary to administer journalism according to two standards. Official party newspapers must be administered not only according to the provisions of the constitution and the law, but also according to the standard of party spirit. The nonparty press structure need be administered only according to the standards of law. This then would require the enactment of a press law.

China's press law must be a law that guarantees socialist freedom of the press. Socialist freedom of the press, as mentioned here, is one that affirms the fact that public media are subject to guidance by the party and to supervision by the people, that the media must uphold the socialist direction, that they must persist in serving the people, and the law must also guarantee that this freedom must be one that will allow press organs a corresponding autonomy. This means that the socialist press law will manifest a unison of guarantees and limitations, a unison of rights and obligations. On the one

hand it will guarantee freedom of discussion in the press on the basis of upholding the four cardinal principles, "guaranteeing freedom to report true news," and on the other hand the law must restrict and thwart misuse of the freedom of the press; it must have strict prohibitions against slander, incitements, divulging of secrets, fabrication of falsehoods, and propagation of sex and violence. Instituting a rule of law for journalism is not incongruous with party guidance of the press. On the one hand we shall have the guarantees and restraints of the constitution and of the press law, which can ensure a correct guidance of the press by the party, and on the other hand there will be party guidance of the press to guarantee an even more effective implementation of the provisions of the constitution and of the press law.

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## BEIJING FORUM DISCUSSES ECONOMIC REFORM

HK130908 Beijing JINGJI YANJIU in Chinese No 4, 20 Apr 87 pp 30-37

[Excerpts from speeches delivered at a forum on economic structural reform in Beijing on 9 March: "A Discussion on the Strategy of Economic Reform"]

[Text] [Editor's note] China's economic system has developed substantially during the past 8 years of reform. It has also faced many new problems and contradictions. It can be said that the economic structural reform has reached a crucial point. We need to summarize and assess in a down-to-earth manner the theory and practices concerning our economic structural reform over the past 8 years. On the basis of understanding China's situation in depth and intensively studying our past experience, we should from a higher theoretical level probe further those numerous major issues faced in our reform practices. In particular, we should find a scientific and realistic answer to the issue of determining a strategy for economic structural reform. To commence the discussion on this topic, in this year's No 2 and 3 issues this magazine published articles entitled "Some Thoughts on Determining the Strategy of Reform" by Wu Jingliang [0702 2417 8834], and "An Examination of Economic Construction and Economic Reform Over the Years" by the study group for economic construction and reforms under the Chinese Academy of Social Sciences. Published in this issue is also an article entitled "The Operational System of Enterprises and Its Corresponding Mode for the Overall Economy" by Zhou Xiaochuan [0719 1420 1557]. The magazine's editorial department also held a forum on 9 March which was attended by more than 20 comrades from Beijing's economic research institutions, departments in charge of economic work, as well as from universities and colleges. The following are excerpts of the speeches delivered at the forum. All discussion centering on the above issue is still welcome, so that we may promote an in-depth study on the theory and practices of the economic structural reform. [End editor's note]

"Determining the Strategy of Reform Is an Issue Which Concerns the Relevant Conditions and the Sequence of Goals" by Zhang Shaojie [1728 1421 2638]

"To streamline the bureaucracy and decentralize the decisionmaking power" is the basic principle for China's urban economic structural reform. Practices of reform over the years have played an important role in restoring China's basic economic order, strengthening the vitality of economic systems and improving the efficiency of economic activities. This is a fact which we must

fully affirm. It is also a fact that with China's economic activities some new problems and contradictions have developed since 1984. Most of these new problems and contradictions are related to the deep structure of China's economic system. Thus, it will be very difficult for us to solve them just by depending on "streamlining the bureaucracy and decentralizing the decisionmaking power." Instead we are required to find new resolutions for new problems, and to perfect and develop our present thoughts on reform to promote further the economic structural reform. Undoubtedly, it will be highly significant if we start discussing some major theoretical and policy problems concerning the economic structural reform.

Proceeding from the logical point of view, it will undoubtedly be very ideal if we can quickly promote reforms within a relatively short time in a coordinated way, and really achieve the expected results. But the point is whether or not we possess these conditions. In fact, to a large extent, to determine the strategy of reforms is more than an issue of logical reasoning. Rather, it is an issue concerning the estimation of reform conditions and its goal. For instance, to conduct an in-depth study on the following issues, which deserve our attention, will help us find a convincing answer.

First, on the issue of the structure and organizations of industries. This issue can be approached at two different levels. First, to what extent can "hereditary information" which was left over from the traditional system conform to the role of the market mechanism? Hungary's experience in reform shows that a structure with highly specialized enterprises formed under a mandatory planned economy conflicts greatly with the market mechanism. After the decisionmaking power of pricing was handed over to enterprises, these enterprises promptly exercised their power to monopolize, so that the readjustment capability of the pricing mechanism was greatly weakened, thereby bringing about the "return of price ratios" and the issue concerning the vicious circle of pricing--subsidies--taxes. It is well worth studying the competitiveness of China's industrial structure which has been formed over the past 30-odd years, as well as to what it can conform to the operations of the market mechanism. Second, under the present structure it is very difficult to solve the issue of "minimizing" the utilization of capital. Proceeding from the experience of other countries, we must settle problems concerning the capital market or syndicated financing if we do not want to follow the reform practices of the Soviet Union and Eastern Europe countries, which only decentralized operational powers to enterprises but not investment-making powers. Inevitably, one must go through a process of development whenever he runs a capital market. Furthermore, the issue of syndicated financing involves monopolization and competition. This is an [word indistinct] basic issue in the course of developing a commodity economy.

Second, on issues about "upholding both indigenous and foreign practice" and local government. Over the past 30-odd years, the local government has long been one of the basic forces in promoting China's development. The principle of "walking on two legs" has played a significant role in China's economic development. At the present stage, small enterprises, as well as town and township enterprises, are still the positive factors in promoting economic

development. There have been inadequate studies and discussions on whether the local government should, in its further economic operations, only supervise social and public welfare undertakings, just as its counterparts do in the Western market economy, or whether it should take part in economic activities more comprehensively. The development of China's market is far from adequate. In particular, the development of factory market is very low. It is very difficult to extensively mobilize economic resources by simply relying on the strength of enterprises. Thus, whether or not having "a government high above and numerous enterprises under it" is feasible in China is worth our study. If we still want to utilize the initiative of governments at both the central and local levels, we face another problem when further carrying out reforms; that is, how to tackle the issue of having separated departments and regions.

Third, on issues concerning the social organization and social structure. A highly integrated social and economic organization is a marked feature of China's economy. Enterprises have undertaken a large number of social functions because of the poor development of social organization. The "enterprise-run society" which was pointed out at the beginning of implementing reforms, has become worse instead of taking a good turn for the better. Enterprises exist not as economic units but as social units. On the one hand, this greatly influences the economic behavior of enterprises and heavily burdens enterprises. On the other, this develops a thousand and one links between enterprises and government, particularly the local government. But these links are difficult to handle by regulations and rules alone. Therefore, even though we choose to allow local governments to participate in economic activities as little as possible, it is very difficult to prevent local governments from interfering in enterprises.

For this reason, the requirements of China's economic structural reform are more complicated than those of some other socialist countries. Furthermore, those countries have so far only gained their experience in "shunting tracks," rather than in successfully integrating their plans with the market. Therefore, it is absolutely necessary when carrying out reforms that we act cautiously to accumulate our experience and avoid high risks. As a matter of fact, to a large extent the problem in developing a commodity economy is one concerning "growth," including the growth of the market and organizational growth. Being excessively enthusiastic in growth will spoil things. Moreover, the issue in determining a strategy for reform is how to handle well the relations between "design" and "growth." How can we carry out reform and lose no time while the conditions are ripe, and actively create conditions when they are not there, without disrupting the economic order? We have gained some experience in this respect from our reform over the years. Obviously, to formulate a controlled reform strategy with more farsightedness by basing it on an in-depth study and summary of our experience is the common task of China's economists as well as comrades who are concerned with reform.

"The Direction and Goal of Reform Should Be To Integrate the Divisions in Economic Power and Administrative Power" by Zhao Renwei [6392 0086 0251]

I want to express my opinion on the divisions in economic power and administrative power. The divisions of economic power here refer to the relations between the state and enterprises in which the latter is an economic entity independently operating and solely assuming its profits and losses, rather than being a subsidiary of a state administrative organ. It may also refer to relatively independent commodity producers. The state will no longer directly control enterprises' economic activities through orders and the like. Instead, it will do so indirectly through various market parameters (economic means). At a glance, the divisions of administrative power carry two different meanings. One of them refers to decentralizing the direct control over enterprises from the central administrative organs (departments) to the local administrative organs (regions). While enterprises remain a subsidiary of the state administrative organ. The other one refers to state administration from the central government to the local government, provided enterprises become relatively independent commodity producers the separation of government supervision from enterprise administration. In other words, the division of administrative power mentioned first rejects the division of economic power; whereas the second one takes the division of economic power as the prerequisite and coexists with it.

Following the 3d Plenary Session of the 11th CPC Central Committee we summarized our past experience and understood that the relations between the state and enterprises were by no means avoidable in our actual reforms. To implement only the division of administrative power of the first type is just like replacing "the boss" of an enterprise. With this we have neither broken through the frame of an economy marked by orders, nor strengthened the vitality of enterprises. Only when there is an actual division of economic power--when enterprises possess real decisionmaking power--can there be an inherent motivating force. Only when we place enterprises in a competitive market can there be external pressure. But why, over the years, is it still difficult to check the trend of dividing the administrative power mentioned first? I hold that this cannot be simply summarized as having an inadequate understanding of the division of economic power. Instead, we should find the answer from our hasty reform measures. For example, in 1984, measures to "streamline the structure and decentralize the decisionmaking power," in which state-run enterprises were decentralized to the "key cities," it was not that we did not plan to place the enterprises in the market. Instead, the market situation was not ready, so that the cities had to organize administration companies to supervise these enterprises. Looking at it from the enterprises viewpoint, they did not really want to, but were forced to have "a boss." This is because under circumstances in which the market was unreliable, they had to resort to depending on administration. Therefore, they asked "the boss" for their funds and materials. Hence, we can see that our reform practices over the years have further provided us with the following new experience. The degree of expending the enterprises' decisionmaking power is linked to the formation of a competitive market system as well as the extent of growth, while it takes the latter as its requirement. Under the circumstances, when



conditions are not ripe for the state to exercise indirect control over enterprises, promptly giving up direct control over regions often leads to direct control over these regions. This is one of the significant reasons for the formation of the division of administrative power mentioned above under the new circumstances. Thus, in order to avoid and overcome this kind of situation we must not only understand the infeasibility of this kind of division of administrative power, but must also thoroughly realize that the division of economic power must be subject to various objective constraints.

When analyzing the shortcomings of the first type of division of administrative power we should strengthen our study of the second type of division of administrative power. In particular, when we integrate the goal and pattern of our reform with China's situation, this kind of study becomes more important. China is a large country. It is very important how we utilize the economic functions of local (mainly provincial and city) governments, or more importantly, how we utilize their intermediary role under the prerequisite of separating government functions from those of enterprises. Perhaps this is one of the features which distinguish China's economic structural reform from the reforms of small countries in Eastern Europe. Just as Lao Leinuozhi [0525 7191 6179 5417] put it, "which policies the central government should make, and which governments at lower levels should make have always been a problem large countries face. They become more important when government economic activities become more significant." (Footnote 1) (Lao Leinuozhi [0525 1002 1795 7191 6179 517]: "A Comparison of Economic Systems," "Collected Foreign Economics Treatises of Modern Times" Commercial Press, 1986 Edition, Vol 1, p 25) However, some economists hypothesized that we should take the "bidirectional expansion of power"--expand the power of the central authorities and enterprises while weakening that of local authorities--as the goal of our economic structural reform. This kind of hypothesis is only based on a much simplified economic role of a country and is, therefore, not suitable for a large country such as China. In fact, to utilize the economic role of local government is part of the economic functions of the country, as well as an extension of the practice of utilizing the economic role of the central government. Local governments should play their role as mediators when formulating local development plans, applying the means of economic readjustment, strengthening industrial management, engaging in the construction of basic facilities, offering various services, supervising economic activities, and so on. Of course, if we pay close attention to the economic role of local governments it does not mean that we need to exaggerate these roles. In particular, the role of local governments in applying various means of readjustment is limited. It should be kept within the framework of avoiding the formation of an economic blockade or the separation of local economies, and without affecting the integrity of the market.

In short, I hold that the direction and goal of reform should be to integrate the division of economic power with the division of administrative power (of the second type) rather than that of the division of economic power with the centralization of administrative power.

"Do We Need a Relatively Relaxed Environment or a Steadily Growing Environment"? by Dai Yuanchen [2017 0954 2525]

To switch our economic mechanism from administrative coordination, marked by the issuance of mandatory plans at each level, to market coordination which is guided and coordinated by state plans, we need a macroeconomic environment in which supply slightly exceeds demand. Only in this way can there be competition among sellers, thereby forcing producers and operators to improve their techniques, business operations and service quality. Only then will there be a motivating force and pressure from reform on enterprises. If the economy remains overheated we cannot eliminate the rationing system. Hence, it will be impossible to switch the economic mechanism. Therefore, it is extremely significant for us to control overall demand in the course of reforming the economic structure. There is a basic balance between organized supply and demand at a high level, as well as one at a low level. China's economy was backward and its starting point was low. In addition to this, many "outstanding accounts" in terms of production and livelihood, which were developed over the years, make it impossible to do without a considerable growth rate in China's economic development. Since there exists inertness in interests in which vested economic interests cannot be triggered, in readjusting interest relationships amid our economic structural reform, we can only focus on the distribution of the newly increased national income. In bringing into play the role of interests and the dynamic mechanism, we also need to maintain a considerable economic growth rate. This makes us focus on organizing a high level of basic balance in supply and demand, thereby making it difficult to realize a situation in which supply exceeds demand.

In summarizing the above analysis, I hold that on the subject of reform, we must proceed from two areas, namely, switching the function of the market mechanism and readjusting interest relationships, and correctly handling the contradictions between these two areas. On the debate on whether to have supply exceeding demand or vice versa, I propose a third viewpoint. We must strive to achieve a basic balance in the overall demand and overall supply. In reality, it is rare that we can strike a balance between the two. In most cases there is either a surplus or a paucity. We should promptly readjust the situation once we have discovered it. Therefore, I advocate to change the proposal of requesting a relaxed environment into one requesting an environment marked with a stability and a high growth rate. Of course, reform needs a relaxed environment, which in turn requires, through reform the formation of a self-constraining mechanism in which one assumes risks and liabilities for his investments. With this, the two are both the cause and affect and form a series of links conditioning each other. Unless these links are completely broken, the traditional system often opts for enlarging the scale and the motivating force of promptly expansion still plays a role. Hence, expanding in the demand for investments leads to a expansion in consumption and it is difficult to completely overcome a situation in which overall demand is greater. Therefore, in terms of reality, it is also relatively practical if we focus on striving for a steady economic growth rate. Moreover, in the long run, the growth rate of a steadily developing

economic is also high enough that it helps us to take both interest relationships and the switch of the market mechanism into consideration.

In his article "Some Views on the Choice of a Strategy for Reform," Comrade Wu Jinglian [0702 2417 8834] held a critical view of the present situation. But mine is relatively optimistic. I hold that when overall demand exceeds overall supply, supply will become so short that we will have to strengthen the supply system. This takes the rigidity of prices as a prerequisite. Under a supply system marked by rigid prices, stagnant purchasing power, part of the demand which exceeds supply, is suppressed rather than eliminated. A prolonged shortage will only make the situation even worse. Through our reforms over the years we have basically taken a relaxed attitude toward the pricing of agricultural products, except for grain, cotton and oils which are under the "double-track" system." The same also applies to most industrial and consumers goods. Generally speaking, China's pricing structure is marked by both rigidity and flexibility. As a result, the excessive purchasing power developed in the previous year will push up the price in the following year. It will then be assimilated and diluted through the price rise. Also, excessive distribution will not occur because of suppression, so the shortage will become worse. Therefore, a prolonged shortage in the economy is not serious, though China has experienced an increase of overall demand over the years. Part of the accumulation has changed in the issue of whether or not the extent of price rises has exceeded society's endurance. In other words, the urban and rural savings balance of 20 million yuan by the end of 1986 was no longer the "tiger in the cage." Since most consumers goods are flexibly priced, savings did not flow into the market but remained relatively stable.

There are overall problems in present economic development, but I think the most prominent one is the structure. Over the years, our primary industries and basic facilities have been rapidly developed. But the development of processing industries was more rapid because of distorted prices. The "bottle neck" situation become worse instead of being eased. A relatively large amount of the production forces was thus not fully utilized. Originally, an imbalance between supply and demand provided an opportune moment for readjusting the structure. However, we must adopt a relaxed attitude toward pricing in addition to having planned guidance and administrative coordination, in order to develop a self-constraining mechanism for readjusting the structure. The overall contradictions will then be alleviated in the wake of rationalizing the structure. But what we adopted was not the structural readjustment promoted by the market mechanism. Instead, we took the old way of restoring the overall balance through "indiscriminate" administrative control. Consequently, our head-one blow at the first encounter created more contradictions and the supply-demand structure still lacked coordination. This involves the determination of policy-making, whether it should promote reforms or strengthen controls. In return, the determination involves our environmental conditions and our judgement of the situation.

Some Thoughts on the article "Some Views on the Choice of a Strategy for Reform" by Tian Jinghai [3944 3068 3189]

The article "Some Views on the Choice of a Strategy for Reform" by Comrade Wu Jinglian proceeds from a high plane and carries in-depth meaning. I agree with him on many of his viewpoints. At the same time, I also have some related thoughts.

1. On the relations between reform and construction. Over the years we have stressed quite a lot making construction subordinate to reform but less on making reform subordinate to construction. For instance, we often advocate the creation of a relatively relaxed environment for reform. This was a way of making construction subordinate to reform. Economic reforms themselves are in fact not the goal. To mobilize the initiative of producers, to invigorate enterprises, and to build a lively economy are only for the sake of promoting smooth economic development, improving economic results, and realizing the goal of modernizing the commodity economy. To make supply slightly exceed demand and to control inflation are to offer a relatively relaxed environment for reform, as well as to provide favorable conditions for promoting rapid and steady economic development. It is correct that Wu, in his article, proposed the need for rationalizing economic relations. But it is not limited to being part of the structural reform. It is also a component of economic development in many other areas. I agree with Wu Jinglian's opinion that we must not let our economy become "atomized" ["yuanzihua" 0626 1311 0553]. We must not allow the rapid development of small enterprises to overtake the leading role of large socialist enterprises, or allow the passive phenomena emerged in a market economy at the early stage to become wide spread because they will adversely affect the formation and development of a modern commodity economy. Therefore, the issue is moderation and being subordinate to economic development, no matter whether in terms of macroeconomic control or in terms of microeconomic invigoration.

2. On decentralizing power and interests. What followed the decentralization of power in the past were acts of giving away interests. This was because our guiding ideology put an equation mark between them. Consequently, the more interests we gave away, the poorer the upper level became; the more interests we gave away, the more interests the lower level wanted; the more interests we gave away, the more dependent enterprises became. Judging from this, I agree with Wu Jinglian that we must no longer include the "decentralization of power and interests" as a major contents of reform. The decentralization of power is not intended to give away interests. In the future we should avoid general acts of giving away interests. In the wake of decentralizing power, enterprises may have more interests. But they should be achieved by enterprises' own efforts rather than being "given away" by the upper level. Indeed, power must be decentralized. At present, there are many types of power which should be decentralized to enterprises, particularly medium-sized and large ones, but have not yet been done. We must not decentralize power to a lesser extent, and still less stop decentralizing it. If we totally negate the "decentralization of power and interests," it is likely that a tendency of neglecting the enterprises' decisionmaking power, and of interrupting the

expansion of enterprises' decisionmaking power will develop, which is unfavorable to both reform and construction.

3. On the relations between reforms' low starting point but lofty goal and reform's pace. Wu Jinglian advocated that we should put an end to the confrontational situation in China's dual economic system. However, reform's low starting point and lofty goal make it difficult for us to eliminate the dual system within a short time. Reform is a long-term strategic task and cannot be accomplished in a rush. Also, reform is a grand engineering system in which all policies are closely related. At present, there are still many complicated problems to be further studied in terms of theory and practical policymaking. For instance, people have different understandings about the crucial point of reform. Some comrades have a confused understanding about the crucial point and order of reform, and hold that anything which is related to the crucial point should be reformed first. We should clarify our understanding in two areas in this respect: 1) We may have different crucial points for different viewpoints and levels.

But even we have grasped the real crucial point--we must not treat it as a panacea and neglect others and thus I agree on his viewpoint of "interlocking links." 2) Though reforms' crucial point is linked to its order, they are not the same. We should focus our efforts on eliminating the inherent organizational relationship in economic phenomena, on doing well in overall planning, and on arranging coordinated reforms. It seems that this process is slow but it may in fact be quite rapid.

"A Choice for the Macroeconomic Means of Readjustment" by Wei Xinghua [5898 5281 5478] and Wei Jie [7614 2638]

In determining the macroeconomic means of readjustment we should pay close attention to utilizing the means of readjusting ownership constraints, while fully mobilizing the roles of fiscal and financial readjustments. The so-called means of readjusting ownership constraints means that the state readjust the economic operation in a macroeconomic way and through the relationship of ownership constraints. The economic system which China practices is one based on the public ownership of the means of production. In addition, state ownership plays the leading role, so that the state can effectively readjust the economy through ownership constraints. For instance, with the use of ownership constraints, we can readjust economic activities of state-owned enterprises in four ways. First, on the condition of transferring the right to operate a business. State-owned enterprises should become relatively independent commodity producers through the separation of two kinds of power. Under this condition, no matter whether the state transfers the right to operate a business through this or that form, it takes as a prerequisite that the operation undertakers should bear certain economic liabilities. In fact, the economic liabilities borne by operation undertakers are the state's conditions for transferring the right to operate a business. The state may request any change in the conditions according to its goal of readjustment, thereby readjusting the operation of the economy. Second, on the form of realizing the ownership. After state-owned enterprises have



transferred the right to operate a business, their ownership is realized mainly through the distribution of profits. The state may, in connection with its goal of readjustment, readjust the profit distribution relations according to the ownership, and it may also affect and guide enterprises' operation by changing the ratio of distributing profits. Third, on the ultimate right of initiating a readjustment. The state still owns these enterprises after transferring to them the right to operate a business. Once the operation of an enterprise is detrimental to realizing the state's goal, the state may exercise its ultimate right to initiate a readjustment according to its ownership over that enterprise. Fourth, on the right of universal supervision. Since state-owned enterprises are owned by the whole people, the state still enjoys the full right of supervision according to the ownership relations, even though it has transferred the right to operate a business, thereby conducting the effective readjustment of an enterprise's economic activities through its economic supervision.

Under the condition of socialist public ownership, the ownership constraints play an important role in the readjustment of economic operations. The public ownership of the means of production, which occupies the leading role in state ownership is the most important cause for having a relatively effective readjustment power in the indirect macroeconomic control of socialism. It is also the prerequisite for utilizing the positive role of all the means of indirect macroeconomic control. Proceeding from the need to perfect indirect macroeconomic control, any proposal attempting to abolish state ownership or neglect public ownership is not recommended, and the issuance of shares by large and medium-sized nationalized enterprise is not the direction of reform.

"The Formation of the Socialist Market Does not Simply Rely on 'Opening Up'"  
by Liu Rongcang [0491 3310 3318]

Proceeding from some controversial points concerning the practice and theory of the economic structural reform conducted over the years, I wish to air my opinion regarding the development of a socialist commodity economy and market amid the changing macroeconomic mode.

1. To have a certain market environment and market mechanism is a prerequisite for developing socialist commodity economy, as well as a significant issue to be studied in our economic structural reform, which takes it as its background. Proceeding from the 3 major tasks proposed during the Seventh 5-Year Plan, to have a good market environment is both a necessary external condition for invigorating enterprises as well as an objective base for building a new macroeconomic management system which switches its focus from direct control to indirect control. Moreover, we cannot do away with the roles of certain market environment and market mechanism if we want to rationally deploy social resources and correctly readjust interest relations and the economic structure.

A socialist commodity economy is different from the primitive market economy during the early days of capitalism, as well as differs in nature from the market economy of modern capitalism. Likewise, the market of a socialist

commodity economy shares some features with a commodity economy and is market by its characteristics. The market we are going to build and develop is the one that conforms to the economic base which relies on the socialist system and the public ownership of the means of production; conforms to the growth rate of the productive forces to the development stage or scale of the commodity economy; and conforms to the state's need to readjust control over the macroeconomy. Therefore, it helps distinguish the market environment of a socialist commodity economy from the voluntary, freely competitive market which is based on the private ownership of the early days of capitalism, as well as from markets in state monopolized capitalist societies of the times, which were marked by a certain flavor of state control but inherently still based on private ownership and are not among the markets of a planned economy. This is because socialist soil and its socioeconomic environment are not suitable for them.

2. Over the years we have simply been taking a road of "opening-up", "dividing power" and "dividing interests" in the area of promoting the development of a socialist market. We have made market development correspond to the degree of opening up as well as to the extent of dividing or decentralizing power in such areas as the circulation of commodities, goods and materials, and capital. However, serious shortages still exist. The state still lacks an effective means for macroeconomic readjustment. Enterprises react slowly to the roles of market information, price signals and the market mechanism. To open up under these circumstances develops a situation in which opening up and market development are not dovetailed. For instance, though we reduced the scope of materials and commodities under planned management, the market was not opened up. The speed of market development did not teach that of opening up. The market or circulation relations were "not smooth despite our efforts." Market development did not dovetail promoting the reform of the circulation system or the division of power. In market management we broke the old practices without establishing new ones and it was so difficult to observe the law that the market was disturbed. Also, there was a lack of coordination between reforms (of the financial system, investment system, pricing system and so on) and the socialist united market. Facts have shown that only the principle of conducting coordinated reforms, integrating opening up with readjustment, and integrating opening up with management prevents "opening up" from undermining "readjustment" and makes "readjustment" favorable to "opening up." Only in this way can the "opening up" possess itself be of actual rather than nominal significance, and be favorable to normal growth, as well as the functions of the socialist market without any disruptions or rigid management.

3. The gradual establishment and formation of a socialist market does not simply or mainly depend on measures of "opening up" and practices of dividing administrative power. Instead, we should stress 1) striving to realize a relatively balanced overall demand and overall supply in society and to eliminate serious shortages in order to create the essential prerequisites for promoting normal market growth and forming the mechanism for market competition; 2) greatly promoting the standardization and normalization of China's market growth by putting the commodity market before the factory



market. For this reason we must strengthen market management through legislation; strengthen the vitality of state-owned commerce, enterprises supplying goods and materials, rural supply and marketing cooperatives and states banks, and fully mobilize their leading roles in commodity (goods and materials) and capital circulation; determine the timing, operations and readjustment mode of opening up according to the significance of different commodities in the national economy and people's livelihood, as well as in supply-demand relations; 3) promptly eliminating separated departments and regions by adopting gradual measures and coordinated reforms to create conditions for forming a united socialist market, improving the state's sensitivity to market intervention and readjustment, as well as enterprises' market reaction capability.

In short, at the starting point of developing the socialist commodity economy we should gradually establish and develop a planned commodity economy which is a readjustable and competitive socialist market focusing on public ownership. We must not take the road of impromptu formation, as well as blindly opening up and dividing administrative power. This is not the type of market we have in mind, though such practices may still "open up" a market.

"Points in the Reform Theory at Issue" by Ding Ningning [0002 1337 1337]

Today, the editorial department of JINGJI YANJIU invites comrades holding different viewpoints to join this discussion on some controversial points concerning the theory of economic structural reform. I think this is a good thing. As a matter of fact, controversy over the issue has existed for a long time, and has developed into different schools of thought concerning reform. When taking part in the work of summarizing our experience in the Sixth 5-Year Plan, I criticized some practices of the dual system in the division of administrative power and in the allocation of funds. Many comrades also counter-criticized this opinion. But we lacked a face-to-face opportunity to exchange our views. The issue worth our probing is: Why is reform simply conducted along a line on which many comrades hold that there are many weak points? I hold that this is mainly because the implementation of reform itself exceeds the understanding capability of the theoretical circle, or we can say that our economic theoretical study is far behind the implementation of reform.

The study of economic theory now faces the risk of "taking short-term actions." Over the years, many comrades undertaking theoretical research have been going in and out of policy-making and consultative units. This is recommendable since it integrates theory with practices. But it is also risky since no one is going to conduct in-depth studies on many major theoretical issues, so that the theoretical research is unable to catch up. As a result, we confuse theoretical study with the study of measures, so the latter lacks a reliable theoretical base. Therefore, we cannot help but treat symptoms rather than the disease, which are only "short-term actions." Over the past 2 to 3 years economic theoretical circles have proposed so many contradictory measures that not only have policy-making departments been unable to handle them but also the reaction capability of our economic

activities cannot cope with the rapid implementation of these measures. Therefore, we will be unable to summarize any valuable experiences even though we may have made achievements in economic work and we will not know what is wrong whenever problems develop.

For instance, though the phase "planned commodity economy" has already been included in the party's resolution, academic circles still do not even have a general similar viewpoint concerning this concept. Everyone has different interpretations. Of course, it is good that we debate different academic viewpoints. But it is difficult to clarify them without any chance of directly exchanging these views. Some people hold that no commodity economy existed in China before reform. What kind of economy was it then? Some said that it was a product economy. If that was the case, why were we punished because we violated the law of value? I hold that the commodity economy exists objectively. This fact does not change just because we deny it. To formulate economic operational guidelines by violating objective rules will only distort economic relations rather than change the objective rules themselves. Some comrades have long been skeptical about the compatibility between a planned economy and a commodity economy. Some even clearly stated: "What are the differences between the planned commodity economy and the market economy of the West?" It is difficult to give a convincing answer to this question without any in-depth theoretical study or open debate.

Let us take another example. People also do not share the same view on the theory of the pricing reform. On 2 March 1987, SHIJIE JINGJI DAOBAO published an article by Dai Yuanchen. The first subhead of the article read "The role of the market mechanism is limited if we do not restore distorted prices." How can a pricing reform restore the distorted prices? Can we restore distorted prices without bringing the rule of the market mechanism into play? What is the "cause" and what is the "effect?" Over the past 2 to 3 years we have proposed many plans on a pricing reform. But because we neglected our study on the theory of pricing reform. But because we neglected our study on the theory of pricing, our work usually ended with practices of "integrating readjustment with opening up" and "putting readjustment before opening up." A common shortcoming of these plans is the alternation between readjustment and opening up. We thought that by acting this the market would eventually be established and the pricing mechanism would function perfectly. These plans took no consideration of the economically and non-economically monopolizing factors which actually exist in the economy of this large developing socialist country. Also, they did not take into account the important role the government should play in creating a competitive market environment marked by equal opportunity.

Finally, let us talk about the issue of ownership. Many comrades already understand that this is a significant but thorny issue, as well as an ineluctable one when we design our goal and pattern for reform. Some comrades believe that a certain outward appearance of ownership is somewhat of a panacea. I agree with the study and trial implementation of the shareholding system. But I do not agree with taking the issuance of shares as a pretext of reform. Provided we understand the multi-level features of China's economy,

we will not simply depend on a single key for opening numerous locks. Theoretically, the crucial point of the ownership system does not concern rights but the issue is that as a relatively independent commodity producer, whether an enterprise should shoulder the task of reproduction. I hold that it should shoulder the task and that this should be the theoretical starting point for studying the ownership issue.

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## INVIGORATING ENTERPRISES URGED

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[Article by Li Shu (2621 22885), edited by responsible editor Pan Shucheng (3382 6615 3397): "The Key To Invigorating Enterprises Lies in Perfecting the Enterprise Management Mechanism"]

[Text] In accordance with the principle of separating ownership from business operations, to perfect the operational mechanism of enterprises and to further invigorate enterprises are hot topics with people in connection with reform, as well as this year's focus of reform and the key to promoting in-depth development in urban reform.

First, the imperfect operational mechanism among some enterprises is causing them to be slothful and their actions to go out of control.

Under the old traditional system, which was marked by the product economy, enterprises depended on planning for production, on supplies of raw materials, and on underwriting products. These enterprises were actually dependents of government departments and their independent enterprise actions were basically nonexistent. In other words, government acts replaced enterprises. The corresponding enterprise mechanism was actually an internal management mechanism which managed production according to rigid administrative relations. In the wake of the in-depth development of reform, as well as the decentralization of power among government departments and the expansion of decisionmaking power among enterprises, enterprises now have a certain degree of their own decisionmaking power, and have entered the market in the capacity of commodity producers and business operators. They have begun competing with each other and have taken it as the key to their rise and fall. The unpredictable market has forced enterprises to take independent actions which differ from those of the government. The market also forces them to switch from their original management mechanism to the open, market-oriented principle of combining "duties, power and rights," to coordinate them with the operation mechanism. This is the motive and essence of changing enterprises from the production type to the production-operation type, which we always talk about.

However, such a change is easier said than done. This is because it is not simply a change in subjective acts or guiding ideology of enterprise operators, but rather a change in or switch of the inherent mechanism of

enterprises. This change is taking place at a time when the old economic system is being replaced by a new one. At present, it can only be in the transitional period of imperfection. We can thoroughly understand this as long as we further analyze the present problems enterprises face. It is because of the heavy tax burden and the low profit retention level that an enterprise earning millions of yuan in profits will, in most cases, actually have only tens of thousands of yuan left after deducting various kinds of payments. The amount of production development is much less after the allocation for three kinds of funds. Except for making preparations for the production of that year, it basically lacks a self-development capability in terms of product development, structural readjustment and technological modernization. Thus, its acts will, of course, be "short-term ones." Its spirit concerning investments and expansion is another example. Problems in this area have not been checked since we replaced the practice of allocating funds with that of granting loans because we have adopted the policy of repaying loans before delivering taxes. Furthermore, the state grants additional tax exemptions to an enterprise if it faces problems in repaying loans. The practice in fact turns enterprise profits into bank's interests. From the viewpoint of the state, it just "grabs something out of one pocket and puts it into another." On the other hand, enterprises hold that it is just "from the public to the public, and whoever we give it to doesn't matter," and does not bother with it. Therefore, present investment is just a disguised form of free occupation and there is no risk in enterprises' investments. Besides, the larger the scale of fixed assets owned by enterprises, the higher the "political grade" they will be, and the better wages, treatment, and so on they will receive. This also promotes enterprises' spirit concerning investments and expansion, and this kind of spirit instantly matches with local governments' interests in regional expansion, and they become more thriving. It is also the same development trend for enterprises which pursue the maximization of wages and welfare. Since the enterprises' own funds are in the form of currency, the state has expressly stated that they own these funds. But once they are turned into fixed assets, the funds are owned by the state. This kind of ownership makes enterprises prefer to distribute funds by giving away bonuses, building housing and so on, rather than using funds for expanded reproduction, thereby weakening their desire for accumulation. In addition, enterprises' current acts of dependency are comprehensible. At present, an enterprise operator received instructions not only from government departments but also from the market. One who pays no attention to the "instructions" of the market will suffer setbacks in this operations, likewise if he ignores "instructions" from the upper level. This is because the enterprise operator is appointed and assessed by the competent department. When these two kinds of "instructions" are contradictory, an enterprise, because of its administrative dependency, must yield to the upper level rather than acting in a bold and innovative way.

In other words, during the process of changing enterprises, and before the rationalization of the above economic relations, as well as the inherent mechanism of enterprises, it is inevitable that enterprises are slothful and their acts go out of control. Recently, we have made efforts in reforming the economic operating mechanism, readjusted prices, substituted taxes for profit

deliveries, established some production factor markets, grasped firmly among government departments streamlining and power decentralization, and created a relatively relaxed business environment for enterprises. All these are necessary. But it has become very clear that the reform of the economic operational mechanism will not succeed if it is separated from the reform of the operational mechanism of enterprises, or if we prevent enterprises from establishing an independent and self-readjusting mechanism which takes sole responsibility for its profits and losses, or prevent them from taking flexible reactions in economic operations. This point has not only been confirmed by our successful rural reform but has also been proved by our urban reform in recent years.

Second, we must start from separating ownership from business operation rights to perfect the operational mechanism of enterprises.

This so-called mechanism refers to all units which form an organizational entity, as well as the total interrelationship and mode of connection among all units, which are fixed by certain procedures and systems. In view of this, I hold that when perfecting the operational mechanism and realizing a change of enterprises in order to help enterprises achieve the reform aim of independent operations, assuming sole responsibility for their profits and losses, and meeting their own demands, we currently need to restructure four systems.

The first one is to perfect the operations responsibility system of enterprises by basing it on the separation of government supervision from enterprise management. Over the years we have stressed that enterprises have the right to refuse acts like blind instructions and arbitrary apportionments. But there are only a few who refuse such acts, and practices of arbitrary apportionment have not been checked. At the same time, we have urged enterprises to assume sole responsibility for their profits and losses in operations. But practically none assume sole responsibility for their losses. Instead, enterprises' losses are still born by the state. Also, government departments excessively interfere in enterprises while the latter is excessively dependent on their competent departments. This is because government departments directly interfere in production and operations of enterprises through the "chain" of appointing factory managers. Unless this issue is settled, we shall face difficulties in separating government supervision from enterprise management, or enterprises will find it difficult to extricate themselves from the dependency status and, of course, there will be no need for enterprises to be solely responsible for their independent operations.

Proceeding from the long-term development of enterprises, we can try to solve the above issue through a shareholding system, and among some enterprises, establish the three-tier operations responsibility system of "government--board of directors of enterprise--manager." Through the formulation of industrial policies the government exercises macroeconomic supervision, and exerts great influence on the operations of enterprises. Therefore, the state must assume responsibility for any losses caused by its mistakes committed in



macroeconomic decisionmaking. On the other hand, a board of directors is a group of owners. Being the owner of state property, the government assigns its representatives to these boards, which are responsible to all of their owners, including the state, and shoulders the task of making decisions on material matters concerning enterprises. Thus, these boards should be responsible for any mistakes committed in enterprise decisionmaking, while managers are operators entrusted by these boards. Having full powers in handling enterprise operations and assuming all responsibilities for these operations, managers are appointed by the report to the board of directors. Thus, the responsibility of various management levels are clarified and so is their interrelationship, and the "chain" linking government supervision to enterprise management is cut by the board of directors. However, proceeding from most enterprises, the present problem is that the factory manager is unable to free himself from the "dual role" and still has to be appointed by the government. At this time, the practical way for us to break this chain which "does not separate government supervision from enterprise administration" is to implement various forms of leasing operations and the contract operations responsibilities system through the separation of ownership from the right of business operations. For small enterprises, we may adopt the form of leasing and contracting; and generally adopt the form of contracting for medium-sized and large ones. But today's leasing and contract responsibilities systems are different from those in the past. It is an operations responsibilities system which hands enterprises over to entrepreneurs. Being the owner of state property, the government departments take the targets of economic results, technological advancement and the increased value of assets of an enterprise to be achieved within a certain period or a year as the conditions for recruiting business operators, and implement the system through open bidding.

Once a business operator has won the bid, he is offered a contract, confirmed as a representative having the legal person status and is entrusted with the full powers of business operations. Though this kind of recruitment is eventually done through government departments, it has, to a certain degree, weakened the administrative relationship between the two since it involves "recruitment." The business operator will thus develop a sense of being "relatively independent." Once the contract is notarized, the relations between the owner and the operator actually becomes the legal relationship between party A and party B. The responsibilities, rights and interests of both parties are reflected in the contract. Whenever a party breaches the contract, it should bear economic as well as legal responsibilities according to the provisions under the contract. As long as the business operator observes the law, pays relevant taxes and acts according to the contract, the competent departments of enterprises have no way of interfering in the production or operations of an enterprise. Therefore, we can define clearly the enterprise's status as a relatively independent commodity producer and operator. Only thus can business operators have the status of being the center of their enterprises and play their role, and only this can bring into play other measures which invigorate enterprises. This is the most important point in perfecting the operational mechanism of enterprises.



The second one is to perfect the operating system of enterprise operations by strengthening the responsibility system for factory managers, which is the focal point. To establish the responsibility system of operating enterprises helps enterprises as well as their operators clarify their status and roles in economic activities as a whole. In order to make this machine, meaning the enterprise, run we still need "parts" and we need to connect them together according to certain rules and procedures, as well as establish an efficient operating system. The key to running this system well is to do well in the "three systems." In short, we must grasp well the responsibility system for factory managers and strengthen their role of being the commanding center in enterprise production and operations. We should grasp well at various levels the economic responsibility system in various forms and guide workers to engage in production and operations in addition to normalizing the practice. We should grasp the economic management system in such areas as production, supply, sales, manpower, funds, and goods and materials, to dovetail our actions and coordinate them, to feed back information and to improve efficiency. Recently, we implemented a series of coordinated reforms within enterprises by focusing on the above three areas. The operating system has thus basically become smooth and is keeping in line with the reform situation of "separating the two powers." What we should now strengthen is the responsibility system for factory managers, which takes the lead in establishing a highly efficient operating system. In addition to improving the quality of factory managers, rationalizing party-government-workers relations and overcoming the traditional concept on leadership, we must prominently solve problems concerning "sole responsibility," the "status of being the center," and the "key role" of factory managers in the procedures of making production and operational decisions. In other words, we must again define the duty, rights and interests of a business operator according to his interests and risks, his status and role, as well as the intensity of his duties and powers. The powers and interests of a factory manager must correspond to the risks he takes because he is an enterprise's representative who has the legal person status, and is the one who shoulders economic, political and legal responsibilities and risk; the lessee particularly has to use his personal property and his guarantor's property as security. A factory manager must have the right to make production and operational decisions, and the right to form the board as well as mid-level administrative cadres and their corresponding deputies. The income of a factory manager should be higher than that of a secretary or other deputy managers, and should be linked to the enterprise's operational results and the average wages of workers. The factory manager should also be rewarded or punished. As a business operator makes a lot of contributions to an enterprise, it is not unjustifiable for him to receive a compensation several times higher than others provided that the workers agree on the reward, a consent has been obtained from the congress of workers' representatives and it is one of the terms and conditions provided under the contract.

The third one is to perfect the dynamic system of enterprise operations by correctly handling the distribution of interests between the state and enterprises, which is the focal point. The operational mechanism of enterprises is marked by a multi-level structure. First, we should correctly

handle the distribution of interests between the state and enterprises, which is the focal point. The operational mechanism of enterprises is marked by a multi-level structure. First, we should correctly handle the distribution of interests on the top level between the state and enterprises to mobilize the initiative of enterprises in making profits. Second, we should correctly handle the distribution of interests between workers and the business operator to mobilize the initiative of the operator. Third, we should correctly handle the distribution of interests among the workers to mobilize the initiative of workers in production. In the past, we spent a lot of efforts on the economic responsibility system within enterprises. But because of constraints at the top level of distribution between the state and enterprises, the level of profits retained by the latter was so low that the distribution lever, which is simply based on the retained profits, did not function properly. Finally, the method could not be implemented though it was good. As a result, the operational mechanism lacked both the motivating force and vitality. In order to solve this problem we must break through "the distribution at the top level," or we shall not create a new situation. I hold that "the distribution at the top level" should be based on mobilizing to maximum initiative of enterprises in making profits, and ensuring steady financial growth on this dynamic basis. The determination of this principle of distribution plays a decisive role in an enterprise's operation as well as in projecting its revenues. While there are many kinds of distribution, it is not necessary for us to act indiscriminately. We must act in accordance with the industry's characteristics and the conditions of enterprises. Generally speaking, however, there are two alternatives. The first one is the fixed quotas contract. This means that the excessive part other than the basic growth rate provided for under the contract will all go to the enterprise provided that it ensures a certain amount of actual increase in profits and tax deliveries over those of the previous year. This kind of contract must be frequently reviewed. In order to remove the contingent factors such as the introduction of new projects and price changes, the contracted growth rate of the following years should be appropriately adjusted according to the moving average of the figures actually accomplished over the past 3 years. The other kind is the distribution of the part exceeding the basic level. This means that the basic profits are generally set according to the profits and tax deliveries of the previous year. The additional part is distributed to both the state and enterprises on a proportional basis, which is set for several years. In handling the financial affairs, in order to make these two alternatives consistent with the regulations on substituting taxes for profit deliveries, we may let enterprises deliver taxes on their profits to the government first according to regulations, and then have the government return the funds to enterprises according to the contract. The key to implementing these two alternatives rests with a scientific and rational basic profit (or fixed quota), the yardstick of which should be the average profits of the industry. Any enterprise whose profits are higher than the average profit-making ratio may set a lower basic figure. Otherwise, an enterprise may set a higher figure. Any enterprise which, according to industrial policies and regional planning, engages in an industry encouraged by the state may set an appropriately lower basic profit level. Otherwise, any enterprise engaging in an industry whose development is restricted may set a higher figure. In

addition, any enterprise which has experienced a steady growth rate over the years may make an appropriate adjustment based on the figures actually accomplished by the enterprise in the previous year. Any enterprise whose economic results face sharp growth and decline may take as the basic the average of the figures actually accomplished over the years. There are also many other ways of determining the basic figure. In other words, no matter what basic figure we have set, neither the fixed quotas contract nor the distribution of the part exceeding the basic level will any longer be determined once a year. Therefore, an enterprise will have nothing to worry about and may go all out in making more profits. This, thus, maximizes the mobilization of enterprises' initiative in increasing production, improving operations, strengthening management, and retaining more profits by earning more. To a certain degree, enterprises may project their own future, which is favorable to promoting their long-term motive for operations. At the same time, this method links the government's revenues to the interests of enterprises by ensuring that the state gets the larger share. The growth in revenues is thus no longer a rigid "constant." Instead, it becomes a dynamic figure which follows changes in the economic results of enterprises. Undoubtedly, this will exert great influence on the reform of macroeconomic management. This objective requirement of the situation urges the competent departments of enterprises to streamline administration and decentralize their power, and to replace the past attitude of "supervising enterprises" with that of "serving enterprises." It also urges financial departments to focus on making profits. It is only after enterprises have gotten "rich" that the financial departments will become "rich." By acting in this way, we shall have the desire and conditions, both internally and externally, for improving the "distribution at the top level." Thus, enterprises will possess the capability to develop alone. Internal economic contracts have embodied vitality, and enterprise operations will follow the proper cycle in which "workers earn more, enterprises retain more, and the state receives more."

The fourth one is to perfect the balancing system of enterprise operations through the practice of assuming sole responsibility for their profits and losses, which is the focal point. In order to run the operational mechanism, we must have control, constraint and coordination systems. These kinds of controls and constraints may come from economic regulations, administrative instructions, the supervision of party organizations, democratic supervision by workers, and so on. But the most basic one comes from the constraint of balance among enterprises. Enterprises develop by depending on their motive for making more profits. The constraints of an enterprise's acts still rely on the balance of its material interests. We should have explicit constraints and guidance on the utilization of profits retained by enterprises after their tax delivery. In addition to determining the distribution proportions for various funds, we should, through various forms of distribution, link the economic results of an enterprise to the income of its workers, so that the latter develop their sense of responsibility "shouldered by themselves" through the "profits and losses" in their wages. This kind of "assuming sole responsibility for one's own profits and losses" will, of course, play a positive role in enterprises operations. However, to simply rely on this practice is not enough because it does not mean this in the real sense. Now,

all of the assets of enterprises owned by the whole people are nationalized. Any profits or losses faced by an enterprise are inevitably shouldered by the state. Whenever an enterprise fails in its operations, its operator is unable to assume sole responsibility for this. In the extreme cases, the lessee will only lose his property pledged as security. But its value is so insignificant that the amount is eventually settled by the state. This is because enterprises do not have any owned assets for compensating losses. It is better if we introduce this method among some enterprises chosen as experimental units and clarify the funds they own. Either regarding these funds, whether in the form of currency or in the form of payment in kind, as debentures they own, or taking them as assets owned by the whole people, like the form of contracting rural land, but the full right to utilize them rests with enterprises. When an enterprise uses these funds for productive investment and earns more profits, the state should give such encouragement and preferential treatment as reduction of or exemption from the readjustment tax and the reduction of income tax. Hence, both enterprises and their workers will get more advantages in terms of economic results. At the same time, we should clarify that when an enterprise suffers from losses because of its poor operations and is unable to delivery taxes and profits as scheduled, it must use its owned funds to settle the payment. If the payment cannot be settled within a year, the enterprise is allowed to make up for it by using its profits, retained after tax delivery, earned in the following year. Only thus can the operations of an enterprise be constrained through the form of assuming the sole responsibility for its profits and losses. Enterprises will then invest in a more cautious way and their management will become more solid. Whether an enterprise should distribute its surplus of that among its workers or utilize it for investment will then be reasonably solved by the business operator as well as the trade union. Thus, enterprises will boost their desire for accumulation, and will voluntarily unite and coordinate the state's requirement for macroeconomic management with their long-term development needs as well as workers' short-term interests. Only in this will "the prosperity of the factory helps me get rich, and the losses of the factory cause me to suffer" become the prevailing ideology and practice among workers.

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CSO: 4006/818

## BROADER SOURCING OF TECHNOLOGICAL IMPORTS ADVOCATED

Beijing GUOJI SHANGBAO in Chinese 4 Apr 87 p 3

[Article by Li Xiao [2621 2556]: "A Preliminary Discussion of the Diversification of the Sources of Technological Imports; The S & T Development of Every Nation Is Inseparable from Technological Imports, and Sourcing Diversification Is an Important Element in Importing Technology; This Conclusion Is Derived from Successful Experience Obtained in This Work"]

[Text] Diversification of technological import sourcing refers to the practice by which countries fully exploit their own advantages (such as in markets, resources, labor and the like) and the developments and changes in the international economy to import technology from different countries and regions through a variety of means and channels so as to achieve a wide range of sourcing, to avoid the political and economic restrictions imposed by exporting countries and to accelerate domestic S & T development. The history of world S & T development and the economic development of every nation is inseparable from technological imports and that sourcing diversification is an important element in importing technology. These conclusions are derived from the successes many countries have attained in importing technology, of which the Soviet experience is particularly useful for China.

The imperialist nations' hostility towards and efforts to encircle and besiege the Soviet Union following the October Revolution and the practice adopted after World War II by these countries, led by the United States, of using credit, technology and equipment supply as a lever with which to apply political and economic pressure on the Soviet Union made it impossible for the latter country to rely on one or two imperialist nations to provide her with capital and advanced equipment and prompted her to diversify her import sources and channels and to exploit political and economic contradictions among imperialist nations, which policies enabled her successfully to import much advanced technology and to strengthen herself. For example, the Soviet Union took advantage of the world economic crisis of 1973-5, during which many Western nations frantically scrambled and competed for markets, to win easy separate purchases of much modern technology and equipment from the United States, France, Japan and other such nations. The construction of the famous and huge Aosikeer integrated steel mill greatly stimulated the growth of the Soviet steel industry and helped make

Soviet steel output in 1980 more than 25 percent greater than the level in 1970.

Since the beginning of the 1980s, China has imported much technology and equipment from Japan, the United States, Western Europe and many other countries and regions. Nevertheless, "monolithic" sourcing still persists with respect to certain regions and to certain specific products. In these cases, we have failed to take advantage of the buyer's market we enjoy, to "guard our gates" and to obtain advanced technology from a wide range of sources and thus have subjected ourselves to one restriction and obstruction after another in our efforts to import technology from Western nations and have failed to improve our technology by selecting the best products from a wide variety of nations. For example, in initiating an economic and technological development zone in 1984, one city made Japan its main source of capital and technology and thus unwittingly excluded European and American nations, and yet investment the city has received from these nations and Hong Kong has since markedly outstripped that from Japan.

In point of fact, we should diversify our sources of imported technology and make this approach an important strategic policy in our technological import work.

First, in the short run, the low economic growth rates of the West favor our efforts to diversify our technological imports. Western economies continue to stagnate, and markets in most developing nations, which are affected by Western economies, cannot easily be expanded due to developing nations' heavy debt burdens and to other factors. This impedes the capitalist nations' efforts to build markets in each other's countries and thus increase importance of markets in socialist nations, which are economically stable. China's open-door policy undoubtedly provides Western nations with an especially good opportunity, and these nations, for their own vital economic interests, are bound to initiate intense competition and rivalry over our market. Under these conditions, for key projects and products, we should take bids from all sides, select the best offer and make the best deal. In this way we can reduce expenditure of foreign exchange and obtain as much good technology as possible.

Second, since the 1970s economic clashes among Western nations have grown increasingly intense; spread from steel, automobile and textile trade to high tech; and ignited widespread protectionist fever. Consequently, with the development of the international division of labor and the internationalization of production, Western nations have increasingly come to view foreign investment as the simplest way of resolving economic conflict. And this view objectively is conducive to the diversification of China's imports of advanced Western technology and equipment.

Third, China's economic and technological cooperation and trade with the Soviet Union and Eastern Europe has recovered and grown considerably. While striving to import advanced technology from the West, we should also obtain suitable technology and equipment from the Soviet Union and Eastern Europe so as to avoid Western restrictions, combine Eastern and Western technology, diversify imports and thus develop our economy.



## BRIEFS

TEXTILE EXPORT RECORD--During the first quarter of this year, China's textile exports earned \$2.2 billion in foreign exchange, an unprecedented increase of 49 percent over the same period last year. Although exports of woolen blankets declined by 8.8 percent, 23 other categories of textile exports registered large increases over the same period last year. Of the gainers, yarn, cotton, cloth, linen, knitwear and pure silk garments doubled or more, and all types of cloth, woolen and cotton fabrics, silk and reproductions rose by more than 30 percent. [Text] [Beijing RENMIN RIBAO OVERSEAS EDITION in Chinese 24 Apr 87 p 3] 12431/9835

MEDICAL EQUIPMENT EXPORTS--By improving technology, Zhejiang's medical equipment industry has achieved spectacular success. From "the three old mainstays"--knife blades, gauze and absorbent cotton, local manufacturers have advanced into the production of medium-sized precision medical apparatus and have gradually introduced their products into international markets. Last year, the province exported a total of more than \$6 million worth of medical equipment, of which amount new products accounted for more than one-third. Yesterday morning, 17 medical equipment departments from across the nation jointly exhibited for the first time 1,000 new and up-graded products developed or improved in recent years by Zhejiang, Beijing, Tianjin, Shanghai, Jiangsu and other provinces. Li Dbao [2621 1795 5508], Ma Cunying [7456 2625 2019] and other leading comrades excitedly toured each exhibition room. [Text] [Hangzhou ZHEJIANG RIBAO in Chinese 5 Apr 87 p 1] 12431/9835

CSO: 4006/659



## HOG PRODUCTION PROBLEMS IN HUNAN LIKELY TO INCREASE

## Sharp Decline in Hog Raising Noted

Changsha HUNAN RIBAO in Chinese 4 May 87 p 1

[Article by Correspondents Yi Liewu [2496 3825 2976], Zhou Qiande [0719 0051 1795] and Cheng Jinmei [4453 6038 5019]: "Hidden Dangers and Bad Omens--An Exploration of Developments in the Province's Live Hog Production (1)"]

[Text] Live hogs are a hot selling product in Hunan Province, whose output value amounts to 17.5 percent of the province's gross output value from agriculture, making it second only to grain. How hog production develops has a major influence not only on the rural economy and the success of the peasants in becoming wealthy, but also has a bearing on supplies of pork in urban and rural markets and on the public's standard of living. Just what is the present situation? To use the words of comrades concerned in the province's finance office: "Hidden dangers have appeared." To use the words of comrades-in-charge in the provincial Animal Husbandry Bureau, "Bad omens have emerged." At the end of April, the correspondents not only interviewed comrades in the above two organizations, but also conducted a survey in rural villages of Changsha County. After talking with county, district and township cadres and peasant households, they concluded that a shrinking of hog production has truly taken place in the province, and that the situation may continue to worsen.

Figures provided by production units and business units show the number of live hogs removed from inventory and remaining in inventory in the province during the first quarter of 1987 to have increased over the same period in 1986, and that the situation in market procurement has also been pretty good. This is because a rather good foundation was laid in 1986. Nevertheless, as compared with the end of 1986, there was a 3.3 percent decline in the number of hogs in inventory. It must also be noted that the average weight of fattened hogs removed from inventory was 9 kgs less than during the same period in 1986. In these terms, gross output of pork for the province as a whole during the first quarter was more than 21,000 tons less than during the same period in 1986, or the equivalent of a more than 340,000 head decline in the number of porkers removed from inventory, a 4.3 percent decline. This means an earlier than usual removal from inventory of fattened hogs, and this reflects one aspect of the hidden danger.

But the seriousness of the problem is much greater than this. The shrinking of live hog production that we mentioned holds a more serious portent and reality, which is manifested in the following several ways:

A tremendous decline in prices for piglets is the first way. Statistics from suburban live hog trade centers in 83 provinces and municipalities throughout the province show the price for piglets to be 2.30 yuan per kg, 1.10 yuan less than during the same period in 1986. In 21 counties and cities, the price has fallen to 1.80 yuan or less per kg. However, the price in suburban country fair markets is generally higher than the current price in rural villages. The lowest rural village current price is less than 1.20 yuan.

The slide in prices for piglets means there is no profit to be made from raising sows, so the spaying and butchering of sows has become serious. In December 1986 a sow belonging to Li Huaxia of Hongguang Village, Langli Town, Changsha County gave birth to nine shoats. Seeing that prices were bad after they were a month old, Li looked for an opportunity to remove them from inventory. He delayed until the end of April and when prices continued to slide, he could do little else than sell them reluctantly for 670.30 yuan. However, he had spent 690 yuan for blended feed alone during the 4 months that he had kept them, and this did not include the costs of feed for the sow during her pregnancy or the cost of inoculations for the piglets. With such piglet prices, naturally there has been a decline in enthusiasm for raising sows. A sampling done throughout the province shows the number of sows in inventory during the first quarter to be 8.8 percent fewer than at the end of 1986. This includes 26.4 percent fewer in Changde, Yiyang and Yueyang counties and in Loudi City. In Hengyang City, three separate butchers specialize in the butchering of sows, the number varying between three and five per day. When authorities concerned made a survey on 18 March, they saw with their own eyes the butchering of two sows with 15 piglets inside. This is the second way.

Third, there has been a decline in the number of piglets in inventory, the number of households having empty pens being on the rise. When the correspondents visited Jianxin Team in Huangfeng Village, Huanghua Township, Changsha County, a member of the branch committee in the village told us that there were 24 households in Jianxin Team. One household did not have the resources to raise hogs, and another eight had emptied their piglet pens since they did not want to raise anymore hogs once they had removed the present fattened hogs from inventory. During the same period in 1986, these same eight households had raised approximately 20 hogs. During 1986, four sows in the team had been slaughtered. What is the situation in the province as a whole? Extrapolations made from a representative sampling show a 30 percent decline from the same period in 1986 in the numbers of piglets added to inventory during the first quarter of 1987. A survey of 2,186 peasant households in six counties and municipalities in Yiyang Prefecture show empty pen households at 12.2 percent.

Fourth, there has been a general decline in households specializing in the raising of hogs, and there has been a reduction in the scale of production. In Pingjiang, Linxiang, Huarong and Xiangyang counties, the number of major households specializing in the raising of hogs has decreased from 798 in 1986

to 259. In 1986, Lei Guoguang [7191 0948 0342] of Chenjiang Township, Chenzhou City raised 346 hogs. In 1987, he did not raise a single one. A live hog production and marketing association in Shangfeng Township, Hengyang County, that is renowned throughout the province, had an association of nearly 340 hog raising households in 1986. Today the number has dwindled to 17, and the scale of production by these 17 households has also shrunk dramatically, the number of hogs in inventory decreasing to 120 from the more than 470 for the same period in 1986. The association is in danger of dissolving.

The above circumstances demonstrate not only a slackening in the speed of hog production in the province, but also that a contraction has begun to take place. Even though the current supply situation in pork markets remains good, unless adequate attention is paid to this hidden danger and vigorous action taken, there will be a shortage of pork in markets during the second half of the year, and particularly following the national anniversary.

The correspondents will further explore how this situation came about and ways of getting out of it.

#### Possible Reasons for Decline

Changsha HUNAN RIBAO in Chinese 5 May 87 p 1

[Article by Correspondents Yi Liewu [2496 3825 2976], Zhou Qiande [0719 0051 1795] and Cheng Jinmei [4453 6038 5019]: Reasons For the Contraction -- An Exploration of Developments in the Province's Live Hog Production (2)"]

In the "exploration" provided in the first part, the correspondents presented the various bad omens that have appeared of a shrinking of live hog production in the province. In fact, one word covers it all, namely that peasant enthusiasm for the raising of hogs has begun to decline. But what are the reasons for a decline in peasant enthusiasm for raising hogs?

In the large volume of draft articles and letters that this newspaper receives, we have frequently seen the phrase "It is better to sell grain than raise hogs." We also heard this phrase in our talks with hog raising households. In the words of units in charge of live hog production: The dramatic decline in price ratios between grain and hogs means that benefits from the raising of hogs are miniscule. They checked the records to find that during the 1950's, the price ratio between grain and hogs in the province was 10 to 1 (i.e., the income from 1 kg of live hogs would equal the money obtained from the sale of 10 kgs of grain). During the 1960's, the ratio was 8 to 1; during the 1970's, it was 7 to 1; and in 1986, it was 5 to 1. But now it has fallen to 3.8 to 1. There are two reasons. One is that the market price of grain has risen; the other is that the procurement price for live hogs has fallen. By grain price is meant the market price of unprocessed food grains for livestock feed including paddy rice, corn, and barley for which calculations show a rise of approximately 40 percent as compared with the same period in 1986. However, the price paid for live hogs dropped to between 170 and 180 yuan per 100 kg from the 190 yuan of the same period in 1986. The one offset the other resulting in a great decline in the earnings of hog raising households, or even no profit at all. Failure to manage well could even mean

a loss. A survey of 87 households in Changsha, Wangcheng, Taojiang and Hengyang counties showed the average net income (including wages for raising hogs) from 573 fattened hogs removed from inventory during the first quarter to have fallen to 18.10 yuan from the 52.30 yuan of the same period in 1986. Most of these households used the traditional method of raising hogs of "a bucket of swill, a scoop of bran, and a little grain to hurry fattening." Those key households and specialized households who fed their hogs blended feed had the biggest loss of income. Two households in Rongguang Village, Shangfeng Township, Hengyang County, one headed by Peng Anbin [1756 1344 2430] and the other by Tang Kangjun [0781 1660 0193], removed 54 hogs from inventory since the winter of 1986, sustaining a loss of 23.60 yuan per hog. The Shaoyang City Agricultural Committee provided us with a piece of data in which careful calculations show approximately 150 kgs are needed by a peasant to feed one hog. Were this same grain sold at a country fair market, it could fetch more than 70 yuan, 60 percent more than the income earned from using it to feed hogs. The Committee concluded that "the profit from raising hogs is far less than from selling grain." Peasants care about economic results and the laws of value. When the ratio between grain and hogs is as inequitable as this, how can their enthusiasm for raising hogs be high!

There are other reasons besides these. An example is the livestock feed problem. We interviewed two hog raising households in Huanghua Township and in Langli Town in Changsha County, one of them headed by Li Shuxian [2621 2885 0341] and the other by Zou Jusheng [6760 5468 3932]. They reported that not only had there been an enormous rise in livestock feed prices, but quality was off. What had formerly been sold as coarse husks was now sold as feed containing 40 to 70 percent hull meal and the rest rice bran, and what had formerly been sold as feed containing 40 to 70 percent hull meal and the rest rice bran was now sold as rice bran.... In short, feed quality designations "rose one grade." Without contacts, it was very difficult to get hold of even such feeds! As another example, there was no certainty of being able to get feed grain for hog breeding, and this seriously hurt the propagation and promotion of fine hog strains. Formerly feed grain for hog breeding had always been supplied from local emergency grain reserves. Following the abolition of emergency grain reserves, there was no choice but to get it from grain used for readjustment of the structure of rural industry. This grain has now been used up, so there is no source in sight. Some farms and stations have been pressured to cut back on the raising of stud hogs, and some people involved in this work have transferred to other production. Furthermore, inoculation work has not kept pace. These situations have had no small effect on peasant enthusiasm for raising hogs.

Possibly there are more reasons than those given above for the contraction of hog raising in the province. The correspondents feel, however, that the main reasons have been substantially found. We hope that authorities concerned will take genuinely feasible actions to overcome these hidden dangers as soon as possible to halt the contraction.

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CSO:4006/712

## WAYS TO IMPROVE SHANXI LIVESTOCK FEED INDUSTRY

Taiyuan SHANXI NONGYE KEXUE [SHANXI AGRICULTURAL SCIENCES] in Chinese No 4, 20 Apr 87 pp 26-27

[Article by Sun Enlin [1327 1869 2651] and Yan Chuxuan [7051 2504 6513], Pasture Grass and Livestock Feed Work Station, Shanxi Provincial Department of Agriculture: "Problems in the Province's Livestock Feed Industry and Ways To Solve Them"]

## [Text] 1. Problems

The supply of blended livestock feed does not meet demand at the present time; prices rise steadily; and 70 percent of the livestock feed processing plants in Shanxi Province have halted production while production in the other 30 percent is in a stop-and-go state. The annual gross output of mixed and blended livestock feeds for the province as a whole is less than 50 percent of the total designed capacity. Why has this abnormal situation come about? According to a survey we conducted in various prefectures, municipalities and counties, this situation has resulted primarily from the problems listed below.

a. Lack of raw materials for the livestock feed industry. There is a serious shortage of energy livestock feeds such as corn and wheat bran, and of protein feeds such as those of the cake variety. Calculations show that livestock feed processing plants all over the province were short 150,000 tons of corn and wheat bran energy feeds, and 80,000 tons of protein feeds of the cake variety during 1986. This was more than 50 percent of the total amount of blended livestock feed needed for the province as a whole. There are several reasons for the shortage of raw materials for the livestock feed industry. First the increase in the numbers of livestock and poultry being fed, and the expansion in peasant use of blended livestock feeds to raise livestock and poultry has rapidly widened the extent to which blended livestock feeds are used, causing a marked increase in demand for blended livestock feeds. Statistics show a total of 32.81 million poultry as having been in inventory throughout the province in early 1986 versus 30.18 million for the same period in 1985, an 8.72 percent increase. Live hogs in inventory numbered 3.72 million head versus 3.37 million head during the same period in 1985 for an increase of 10.23 percent. In addition, use of blended livestock feeds spread from the former use by only state-owned and collective breeding farms to

villages, households and key households engaged in the raising of livestock (and poultry), as well as to the peasant household livestock and poultry raising industry. This required the livestock feed industry to maintain a steady supply of sufficient amounts of many kinds of high quality blended livestock feeds. Second, the province's grain production was hurt in 1985 both by natural disasters and readjustments to the irrational structure of industry, and gross output of grain declined. In addition, some corn was exported, and after deductions for seeds, rations, and raw materials for industries, such as the food industry, there was a marked reduction in the amount of grain available for livestock feed.

b. Serious lack of livestock feed industry construction funds and working capital. Even though the state has annually provided a certain amount of funds to support development of the livestock feed industry in recent years, since funds are inevitably limited, it has been impossible to fully equip livestock feed industry production facilities, and there has been a shortage of circulating funds.

Currently 80 percent of the province's livestock feed producing plants are in need of funds, and 20 percent lack adequate funds. Working capital for raw materials is particularly lacking, which means that production units are unable to make batch purchases of raw materials, and production is seriously hurt as a result. A look at livestock feed processing plants production for the province as a whole shows that wherever there is sufficient working capital, production is brisk; wherever working capital is in short supply, production is slack.

Inferior quality of blended livestock feeds. As a result of the weakness of livestock feed supervisory organizations and the lack of livestock feed control regulations, an overwhelming majority of the blended feed produced everywhere does not meet quality standards. This shows up mostly in an insufficient amount of energy, too small an amount of coarse protein, an improper ratio of calcium to phosphorus, too much coarse fiber and coarse ash, and serious adulteration. In some cases there is spoilage as a result of mildew and rotting. In August 1986, the Jinzhong Prefecture Livestock Feed Monitoring Station conducted a sample testing of the blended livestock feed produced by 13 livestock feed processing plants in Qixian, Pingyao, Jiexiu and Xiyang counties. Twenty-two samples were examined. Results showed the existence, in one degree or another, of the above problems in most of the samples.

Though the Department of Agriculture and Animal Husbandry has set up the Shanxi Province Livestock Feed Supervisory Office, and though agriculture and animal husbandry units in all prefectures and municipalities have set up livestock feed supervisory stations, supervision of livestock feed is difficult inasmuch as neither the state nor the province has issued livestock feed control regulations and quality standards for blended livestock and poultry feeds. Currently these supervisory units can only analyze and chemically test livestock feed nutrients in a general way. They have no "rules" to follow and no "laws" on which to rely with regard to blended livestock feeds that do not comply with standards, and it is difficult for them to take appropriate remedial actions.



d. Livestock feed industry equipment, technology, and scientific research are antiquated. Most of the province's livestock feed processing plants use Chinese made medium and small size livestock feed processing equipment. Some of this equipment does not measure accurately, does not mix evenly, consumes large amounts of energy, is noisy, and makes a lot of dust, which makes difficult the attainment of product quality standards.

A look at scientific and technical personnel in livestock feed processing plants shows more than 2,000 staff members and workers throughout the province of whom only approximately 250 are scientific and technical personnel, or an average of fewer than one per livestock feed processing plant. Furthermore, most of these scientific and technical personnel are concerned with animal husbandry, veterinary medicine, grain processing, or machinery used in animal husbandry. The number who genuinely understand livestock feed and livestock and poultry nutritional science, and who are versed in the manufacture and maintenance of livestock feed machinery as well as the administration and management of livestock feed concerns are few and far between, and there are, as yet, no scientific research institutions devoted specifically to these matters.

e. Weak raw materials industry. Though the province has established a number of raw materials plants, they are rather weak. Most livestock feed resources such as pasture grasses, tree leaves, stalks and stems of farm crops, bushes, peat, zeolite, bentonite, butchering leftovers, and industrial liquid waste, have yet to be used to the full. Raw materials for the livestock feed industry derive mostly from agricultural and sideline products provided by agriculture and industrial sideline occupations. These agricultural and sideline product raw materials are not only small in number and limited in quantity, but also contain little nutrient value and are very unsuited to needs in development of the livestock feed processing industry.

## 2. Means of Solution

In order to insure development of the livestock feed industry and guarantee sustained, steady and coordinated development of production by the livestock industry, as well as to hasten the pace of development of the livestock industry commodity economy, the following actions must be taken:

a. Readjustment of the make-up of livestock feed varieties to produce primarily livestock feed products made up of enriched livestock feeds. Approximately 95 percent of all the province's energy livestock feed resources are located in its farflung rural villages, and approximately 95 percent of all the provinces' livestock and poultry are also raised by millions of rural households. Production and promotion of enriched livestock feeds can not only reduce transportation expenses and make use of the corn, wheat bran and such energy feeds in the hands of the peasants in promoting techniques for using blended livestock feeds in raising livestock and poultry, but can also ameliorate the shortage of raw materials for livestock feed processing plants.

b. Increased building of raw materials industries to make use of livestock feed resources. The building of raw materials industries can not only provide

plentiful raw materials for the livestock feed industry, but also can convert advantages in livestock feed resources into livestock product advantages and economic advantages. Active efforts have to be made to use livestock feed resources including pasture grasses, tree leaves, cake residues, sugar residues, feathers, silkworm chrysalises, butchering leftovers, industrial liquid wastes, zeolite and bentonite. Governments and planning units as well as vocational units in charge at all levels should make the building of livestock feed raw materials industries a part of their master plans for building a livestock feed industry, developing the livestock feed raw materials industry in a planned, step-by-step way so that it becomes a powerful mainstay of the livestock feed industry.

c. Strengthening of control over raw materials and doing a good job of evening out surpluses and shortages of livestock feeds. Governments and vocational units at all levels should take necessary actions to limit the export and outflow of raw materials, and should even out surpluses and shortages of raw materials between one area and another, each supplying what the other needs. At the same time, some livestock feed raw materials should be imported from foreign countries or brought in from outside the province in a planned way in order to mitigate the province's shortage of raw materials for the livestock feed industry.

d. Livestock feed production concerns should operate flexibly, reforming their livestock feed supply methods. Supplying of blended livestock feeds should be changed from the present unplanned, unfocused supply method to emphasize the supplying of livestock feeds to state-owned and collective breeding farms where feeding is done on a fairly large scale and where the degree of intensivity is higher, as well as to specialized households and key households engaged in breeding livestock. For ordinary households engaged in cattle raising, processing of materials they bring in may be done, processed feed may be exchanged for raw materials, or enriched livestock feeds may be supplied. It is necessary to enlarge sources of livestock feeds in order to insure the steady development of livestock feed concerns and livestock industry production.

e. Intensification of experimental research to provide a scientific basis for the development of various kinds of raw materials for use and for livestock feed industry production. Production experiments should be conducted and promotion given to the use of plant protein feeds to take the place of animal protein feeds, the use of toxic cake to take the place of soybean cake, and the use of pulverized pasture grasses and tree leaves to take the place of some corn and wheat bran. Experiments should also be conducted in the formulation and selection of enriched livestock feeds and livestock feed additives, and research should also be conducted on the development for use of other livestock feed resources.

f. Bolstering of macroeconomic control to improve product quality. Simultaneous with the formulation at the present time of development plans for a livestock feed industries, there should also be the formulation of livestock feed control regulations and blended feed quality standards for the province, as well as technical regulations for livestock feed enterprise production. This should be accompanied by the gradual perfection of a livestock feed supervisory system and an intensification of livestock feed supervisory work for steady improvement in livestock feed quality, gradually placing production on the right track.

BEIJING PAP IMPROVES CIVILIAN RELATIONS

Beijing ZHONGGUO FAZHI BAO in Chinese 14 May 87 p 1

[Article by correspondent Zhou Dewei [6650 1795 0251] and reporter Zhang Ya [1728 0068]: "Beijing Zongdui of People's Armed Police Takes Gratifying Step in Reforming Security Guard Work"; first paragraph is source-supplied introduction]

[Text] The practice of the Beijing Zongdui of the People's Armed Police [PAP] in vigorously but carefully reforming security guard work is worth advocating. As early as the fifties, Comrade Mao Zedong put forth this demand on security guard work: insure security and make things convenient for the masses. Now, 30 years have passed, and the traditional security guard system and methods, faced with the new situation and new circumstances, have gradually been shown to be unsuitable. In particular, because of the "leftist" disruption and influence of Lin Biao and the gang of four, some comrades make security guard work mysterious, and even set it in opposition to relations with the masses. Some security guard systems and methods cause many inconveniences to the masses' life and damage relations with the masses. At present, it is necessary to study again Comrade Mao Zedong's demands on security guard work. It is hoped that the relevant departments will conscientiously draw lessons from the experiences of the Beijing PAP Zongdui and come up with even more new experiences.

Times change and circumstances change, and security guard work is also not inalterable. The Beijing PAP Zongdui is taking the mystery out of security guard work, establishing the concept that sentry duty is a service, and reforming the aspects in the service regulations that do not fit the new circumstances and that inconvenience the masses, thereby taking a gratifying step in reforming security guard work.

In recent years, faced with new situations and new circumstances, some security guard objects have already lost their security guard significance, and some rules and regulations have caused many inconveniences to the masses' life. In particular, the idea of making security guard work mysterious has caused some comrades to put security guard work in opposition to relations with the masses. In 1985 there occurred 18 disputes between the PAP fighters and the masses because of sentry duty, and in the first half of 1986 only there occurred 15 disputes, among which several disputes caused a certain

effect on society. The Zongdui's leaders received a big shock. They felt that a reform of the security guard system was imperative under the circumstances. First of all, they set about correcting the guiding ideology behind security guard work. They changed the old idea that sentry duty meant controlling people to the new idea that sentry duty was a service, so that the cadres and fighters put themselves in a correct relationship with the masses of the people and corrected their attitude toward them. Rules were formulated for all sentry posts to perform sentry duty in a civilized manner and for the sentries to use civilized speech. When testing, verifying and handling problems, the fighters on sentry duty are to be warm and courteous. In many sentry posts, mail boxes and post office boxes were set up, and the posts were equipped with bicycle pumps and vehicle repair tools, thus taking the initiative to dispel the masses' worries and resolve their difficulties.

The Beijing Zongdui is vigorously but carefully reforming and perfecting the security guard deployment and the sentry duty system, in order to save troops, insure security, and provide conveniences for production work, and the masses' life. In coordination with the local public security departments, the zongdui surveyed and appraised 408 security guard objects, as a result of which it canceled 95, added 16, and readjusted 26; and it revised 462 sentry duty plans and 614 irrational service regulations. For example, in a certain spaceflight unit, the scientific research and production area split the living area into two parts--east and west--and every day the cadres, staff and workers in the western part took their children to school or child-care centers in the eastern part, traveling 5 or 6 li on roads outside their compound. The security guard dadui and the public security department revised the original plans, so that the masses were greatly inconvenienced. The zongdui sends cards soliciting opinions to units that it provides security guards for; each security guard unit has set up a suggestion box, and its members regularly go door to door soliciting opinions. Integrating with the joint building of spiritual civilization, all units have vigorously initiated joint friendship activities with the local cadres, staff and workers, thereby changing the state of affairs in which it was felt that they would never be in contact with each other and building one bridge after another of mutual understanding.

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OFFICERS COMMENT ON RESERVE DIVISION TRAINING

Shenyang DONGBEI MINBING [NORTHEAST MILITIA] in Chinese No 3, 4 Mar 87 p 26

[Article by Division Commander Cheng Enzhan [4453 1869 7205], Deputy Division Commander Chen Shenglin [7115 4141 2651], and Chief of Staff Man Shulin [3341 2885 2651] of the Jinzhou Reserve Division: "Several Opinions on the Training Tasks of Reserve Divisions"]

[Text] The training outline formulated by the PLA General Headquarters is the basis for the training done by militia and reserve units. However, the "outline" was promulgated in 1983, and in the years since then there has been a fairly big change in the situation, and some of the training tasks it stipulates do not suit the training reality of reserve units. Take, for example, the infantry fendui, which have relatively few training tasks: The "outline" stipulates 17 topics, totaling 91 subjects and 366 points. For a company, which only has 1 or 2 months of training time, no matter how it acts, this is hard to complete. Then, how, in the spirit of seeking truth from facts, are the training tasks of reserve units to be stipulated? We think that three measures can be taken: 1) give prominence to the key topics in the "outline"; 2) compress and abridge secondary key topics; and 3) chop off topics that are not key topics. Still taking infantry fendui as an example: In the common topics, formation regulations should be made a key topic; discipline regulations, interior service regulations, and "three defenses" training should be made secondary key topics and condensed; and usually there need be no training in military topography and enemy army studies. In the technical topics, firing and hand grenade throwing should be made key topics; demolition and earthwork may be made secondary key topics and condensed or, as the situation warrants, not taught at all. In the tactical topics, the part on squad (team) training should be made a key topic; in general, individual tactics and company and battalion tactics, as well as combat service topics, may be treated as secondary key topics or nonkey topics. Of course the training of model fendui and the training in model topics are exceptions. In the training of other fendui, the tasks should, in accordance with this principle, be rationally determined on the basis of the length of training time, quality of the fendui's foundation, strength of the instructor ranks, and sufficiency of sites and equipment.

What needs to be explained here is the question of cadre training tasks. The "outline" stipulates 10 topics for cadre training: Mao Zedong military

thought, duties, troop mobilization, military topography, knowledge of service branches and arms, logistics, modern military science, enemy army studies, tactics at one's own level, and staff work. It should be said that these 10 topics are key topics, because cadres, when serving their reserve time, have 3 months of training time and have the conditions to complete the stipulated training tasks. However, the "outline" does not distinguish between fendui cadres and organization cadres. Therefore, when arranging training, the objects of the training must be distinguished and each given its own particular emphasis. For example, for fendui cadres, prominence in training should be given to troop mobilization (reserve unit rapid mobilization), enemy army studies, tactics at one's own level, and the duties at all levels. For organization cadres, prominence in training should be given to troop mobilization, Mao Zedong military thought, military topography, knowledge of service branches and arms, modern military science, enemy army studies, and staff work. For political and logistics cadres, prominence in training should be given, respectively, to political work and logistics work. Two points should be explained here: First, training in rapid mobilization is extremely important for both fendui cadres and organization cadres. Only after a reserve unit takes the first step of achieving rapid mobilization can it proceed to the second step of moving out and to the third step of undertaking the plan for operational missions. Cadres at all levels are the decisive factors for achieving rapid mobilization, and so this training topic must be made an absolutely key topic and given prominence. Second, the main thing in cadre training is to raise their strategic level and to improve their capability for organization and command, so training in strategy and training in organization and command should be enhanced for cadres.

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## SHANGHAI OFFICIAL DISCUSSES IMPORTANCE OF THEORETICAL WORK

Shanghai WEN HUI BAO in Chinese 9 May 87 p 1

[Article by Zhou Jinwei [0719 6930 1414]: "Rui Xingwen [5360 2622 2429] Discussed Problems of Marxist Theoretic Work at Symposium of Municipal Theoretical Workers"]

[Excerpts] "An urgent task in Shanghai's Marxist theoretical work is to improve the organization of its theoretical contingent, and then in light of new problems in upholding the four cardinal principles and the policies of reforming the economic structure, opening to the outside world, and invigorating the domestic economy and in the struggle against bourgeois liberalization in Shanghai and the whole country, we should intensify the theoretical study of Marxism in order to promote the development of the two socialist civilizations." This is the desire and request expressed by Comrade Rui Xingwen at a symposium of municipal theoretical workers held by the propaganda department of the municipal party committee.

Comrade Rui Xingwen talked cordially with the theoretical workers. He said: It is very important that Marxist theoretical work should be strengthened now, and the conditions are favorable for us to do so. For some time, the spread of bourgeois liberalization was the result of our weakness in theoretical work, and we urgently need guidance from Marxist theories in further reforming the economic structure, opening to the outside world, and invigorating the domestic economy.

At the symposium, Comrade Rui Xingwen expressed his views and requests concerning Marxist theoretical work in the following four respects: First, the principle behind Marxist theoretical work is to uphold the four cardinal principles and the principle of reforming the economic structure, opening to the outside world, and invigorating the domestic economy, to oppose bourgeois liberalization, and to build socialism with Chinese characteristics. Second, we must attach great importance to the study of basic Marxist theories. For example, we must carefully learn about the primary stage of socialism, its special features, its nature, and our task during this stage. Third, we must diligently and carefully learn about the practical application of Marxist theories. Shanghai is now further reforming the economic structure, opening to the outside world, and invigorating the domestic economy, and has encountered many new problems, such as the problem of exploring or looking for

the way to invigorate the large and medium-size enterprises, the problem of further opening to the outside world and attracting foreign funds, and the problem of reforming the financial structure. For the study of these problems, there is an urgent need for the theoretical workers to organize their resources. Fourth, in theoretical work, our basic approach should be constructive one. While continuing to criticize the concept of bourgeois liberalization, we should adopt a positive attitude of working diligently and steadfastly in order to fulfill the task entrusted to us by the party and the people--the task of building socialism with Chinese characteristics through theoretical study.

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## ZHEJIANG CRACKS DOWN ON SERIOUS CRIMES

Beijing ZHONGGUO FAZHI BAO in Chinese 2 May 87 p 1

[Article by Chen Anxing [7115 1344 5887]: "Zhejiang Wins Important Victory in Its "Relentless Crackdown" on Serious Crimes"]

[Excerpts] Public security organs at all levels in Zhejiang are continuing to deal relentless blows to serious crimes with good results. Compared with the figures before the "relentless crackdown," criminal cases in the province have dropped 36 percent, and public order in about 90 percent of the 89 counties, cities, and districts and more than 10,000 internal units in the province is now good or relatively good.

Since the beginning of the "relentless crackdown," the public security organs throughout the province have severely dealt with the criminals that jeopardized social order and disrupted economic construction, actively organized attacks on hooligans, rapists, and vagrants, and stepped up their investigations. They have cleared up more than 50,000 cases, including some 5,500 major ones; broken up nearly 5,000 gangs of hooligans and looters; and successfully closed 21 cases of theft of firearms, homicide, armed robbery, manufacture of explosives, and other violent crimes, and 7 serious cases of premeditated violence. The public security organs in the province have at the same time organized special crackdowns on robbery, and discovered many serious cases of swindling and profiteering in their crackdown on economic crimes. They also apprehended a number of vagrants involved in serious crimes. The "relentless crackdown" has deflated the arrogance of the criminals and resulted in the confiscation of stolen goods totaling more than 23 million yuan in value.

Many rural and urban residential districts in the province have adopted the system of responsibility for public order. The rural enterprises have also spread the system of public order protection. Of more than 10,000 internal units, 85 percent have adopted the system of responsibility for public order that is compatible with their system of economic responsibility, and strengthened their control over the temporary residents, the mobile population, the special trades, and the busy public places. By implementing various measures of general control, they have effectively stopped the increase in crimes which seemed to be gathering momentum. The crime rate has dropped from 10.1 in 10,000 in 1983 to 6.3 in 10,000 in 1986. This rate is

now basically stable. In protecting capital construction, the public security organs in the province have made great efforts to control the construction sites and increased their vigilance against criminal activities. One third of the public security organs in all the counties, cities, and districts of the province have assigned more than one half of their force to the basic-level police stations, reorganized and consolidated the civilian public security organizations, such as the joint public order protection teams and the public order preservation associations. A network of public security administration with the police station as the core and the coordination of various public security forces is being gradually formed. With the attack and prevention strength increased, the civilians are now more enthusiastic in combating crimes. In the past 3-plus years, the civilians have arrested more than 7,000 criminals and reported clues to the authorities in more than 10,000 cases. Under the influence of law and policies, nearly 30,000 criminals have surrendered themselves to the public security organs.

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## SHANGHAI OFFICIAL STRESSES NEED TO FIGHT CRIMES

Shanghai WEN HUI BAO in Chinese 16 May 87 p 1

[Article: "Combat Serious Crimes as soon as Detected; Rui Xingwen Stresses Need To Deal Heavy and Swift Blows"]

[Excerpts] At a meeting of responsible cadres of the municipal party committee held yesterday, Rui Xingwen [5360 2622 2429], secretary of Shanghai CPC Committee, called for continued mobilization of all party members to intensify the "relentless crackdown," and for unswerving adherence to the principle of dealing heavy and swift blows. Serious crimes must be combated as soon as detected, and severe punishment must be meted out according to law, he said.

Yesterday's meeting was presided over by Wu Bangguo [0702 6721 0948], deputy secretary of the municipal party committee, and attended by Jiang Zemin [3068 3419 3046], deputy secretary of the municipal party committee and mayor; and Qian Xuezhong [6929 1331 0022], vice mayor of Shanghai.

Shi Zhusan [4258 4376 0005], secretary of the political and legal commission of the municipal party committee, spoke at the meeting. Reviewing the success of the "relentless crackdown" carried out in Shanghai 3 years ago, he said: "In the 3 years and 5 months after this crackdown, the criminal cases have dropped 58.2 percent, and serious crimes have dropped 61.2 percent. In more than 3 years, the municipality has detected and dealt with 4,773 economic crimes, and 829 of them involved more than 10,000 yuan. It saved the state and the collectives from economic losses totaling 3,089,000 yuan, and safeguarded and developed the economic situation during the period of reforming the economic structure, opening to the outside world, and invigorating the domestic economy. In coordination with the "relentless crackdown," the municipality has also conducted education in general laws. By the end of last year, 100,000 cadres of party and government organs had undergone rotational training and more than 1.4 million persons have received their certificates of training. In addition, more than 45,000 persons have been trained by rotation for the legal propaganda teams, and a vogue of studying, observing, and applying law is beginning. Shi Zhusan laid down the plans for political and legal work this year and called on the leading cadres of the party and the governments at all levels to study carefully the spirit of the national symposium on political and legal work, to reach a more unified

understanding, and to enhance their political consciousness. Continued efforts should be made to combat serious crimes, including economic crimes, to safeguard social security and sustained stability, to intensify covert attacks, and to watch the social trend closely. General control should be strengthened to promote social security along with education and propaganda in general laws, while legal protection and legal services should be actively developed. It is also necessary to promote reform and education through labor, to step up the work of reforming and redeeming, to reinforce the political and legal contingents, and to further improve people's political quality.

Comrade Rui Xingwen also spoke at the meeting. He said: After 3 years of "relentless crackdown," Shanghai's social order is generally good. However, we must be soberly aware of the many remaining problems, and, according to the trend of development, these problems are fairly serious. For several years, Shanghai has been faced with new and more complex problems with the social order. There are not only domestic struggles, but also struggles of an international character. For some time to come, therefore, some ups and downs in the crime rate are inevitable. Our struggle with crimes of various types will be long and arduous.

Comrade Rui Xingwen pointed out with emphasis: We must continue to intensify the "relentless crackdown" as an important part of the general control program. At the same time, we must rely on social help in enforcing the measures of general control.

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## INTELLECTUALS RETENTION PROBLEM IN XIZANG EXAMINED

Lhasa XIZANG RIBAO in Chinese 23 Apr 87 p 3

[Article by Chen Dehua [7115 1795 5478]: "Conscientiously Do Good Ideological Work for Intellectuals in the Units of Our Military District"]

[Text] I. Several Ideological Problems Existing Among the Intellectuals in the Units of Our Military District

Over the past several years, the number of intellectuals with a special or technical secondary school educational level or higher in the units of the Xizang Military District has increased. Like intellectuals in the units in the interior, in essential aspects they are good and they have done a lot of work in unit building, but they also have some ideological problems.

Because Xizang has many specific characteristics that are different from those in the interior, the ideological problems of intellectuals in the units of the Xizang Military District are manifested in special forms:

Because the climate in Xizang is poor and it is sparsely populated, once Xizang is mentioned the comrades in the interior turn pale. Many people, including some intellectuals, are unwilling to go to Xizang. At the same time, Xizang's communication and educational conditions are poor, a fact that causes a certain adverse effect on the development of science and technology and on the dedication of intellectuals.

Originally there were many dedicated persons among the intellectuals, and they wanted to serve a cause. However, in Xizang the communication and educational conditions are poor, information is inadequate, and instruments and equipment are backward. Therefore, in considering the cause to serve, they feel that Xizang's prospects for development are small, and they want to return to the interior a little earlier. In addition, in the special environment of Xizang, because some real problems in the life of intellectuals have not been solved well, the work morale of some comrades has been adversely affected. Older comrades have two main problems: first, job arrangements for most of their children when they grow up are made after the older comrades return to the interior; and second, if those who are fairly old, about 50, are transferred to civilian work and return to the interior, good arrangements are not made for them. Their parents are old and their children young, and most of the

parents and children are in the interior, so that they can neither care for the aged nor bring up the young, and all three generations suffer. Some of them, although bringing their children to Xizang, worry that the climate will be unsuitable and that it will adversely affect their children's physical and intellectual development. In Xizang, especially some single women comrades, husbands and wives who are stationed in separate places, and mothers and children who live in different places, and who, in accordance with the regular times for furloughs, can only get together once in 1 1/2 years, suffer very great emotional pain. For young comrades, the question of love and marriage is quite prominent, and in particular they suffer from not being able to look for a partner in marriage. No matter whether they are new or veteran comrades, they have common problems, namely, that material daily necessities, like vegetables, fruit, meat, and fuel are in short supply and hard to get, and that the spiritual life is dull and uninteresting and cannot satisfy them.

In brief, under Xizang's special conditions, the ideological problems of intellectuals are fairly complex. Some of them hope to be transferred to civilian work and leave Xizang. Some of them want to get transferred back to the interior through connections. And some young people who cannot get transferred to civilian work and who also do not have connections want to leave Xizang by the method of taking school entrance examinations.

## II. In Conducting Political Education for Intellectuals in Our Military District, We Must Proceed From Reality and Be Particular About Actual Results

First, we must combine the higher level's directives and the experiences of fraternal units with the actual situation in our own unit, and handle well the relationships between the education's content and time, between self-study and collective study. The higher level's directives proceed from the overall situation, and they cannot take into account the specific situation in every unit. A specific unit must flexibly implement certain political education directives from the higher level. Likewise, with regard to the experiences of fraternal units, we must proceed from the reality of our own unit and use these experiences selectively. Subjectively speaking, leaving aside the older comrades, most of the young and middle-aged comrades attach importance to professional work and deprecate politics, and they have no interest in political studies; for example, self-study degenerates into a matter of form. Objectively speaking, we cannot put a copy of each newspaper and each document in each person's hands. Therefore, we must, proceeding from reality, first give equal consideration to the content and the time of political studies and arrange them flexibly. We must neither only consider time and squeeze out the necessary study content, nor only consider content and not consider the realistically possible determination of time. In content, we should give prominence to ideals, discipline, outlook on life, and the long-term building of Xizang and the border areas into homes. Next, we must make collective study primary and self-study supplementary. The main articles and the articles that are fairly few in number are to be studied collectively; the secondary articles and articles that are fairly numerous are to be distributed for self-study.

Second, readings, lectures, and discussions must be combined, and the relationship between inculcating and digesting handled well. When there is

collective study, one or two key articles are to be selected from among a number of articles and read out, reading while lecturing on them, or, after being read out, stringing together all the articles to be studied and lecturing on their basic spirit or key point. Thus, time and trouble will be saved, and the main points will be grasped. After the completion of the reading of the articles, there will be deliberations and discussions. In reading, lecturing, and discussing, lecturing is the key point. So that the content of the study will be truly digested and implemented, we must coordinate it with the starting of all activities. For example, when holding reading and lecture meetings, campfire evening parties, literary and art performances, and other activities, as well as when running reference rooms, reading rooms, blackboard newspapers, and other activities, even though the content of the education only exerts an imperceptible influence and is readily accepted, it will enliven the units' cultural life.

Third, we must integrate political education with concrete reality, and handle well the relationship between the solution of ideological problems and the solution of specific problems. In political education, the "dredging" policy must be upheld, and every session of education must be integrated with the ideological reality of the intellectuals, and as much as possible answer all the questions with which they are concerned. For example, based on the thinking of some intellectuals who want to leave Xizang and leave the units, a certain unit insists that the main problem to be grasped, and grasped to the end, is realistically integrating loving Xizang and being content with one's own job. When education on the situation and policies was being conducted, the questions they asked--"Our country's situation is excellent, so why is there a fiscal deficit?" and "Why is it that prices rise at the same time as wages are increased?"--were answered, thereby dispelling fairly well their ideological hangups.

### III. In Initiating Ideological Education for the Intellectuals in the Units in Our Military District, We Must, Proceeding From Being Concerned for and Cherishing Them, Conduct the Education in a Multifaceted Way

Political education mainly solves the problems of understanding the party's line, principles, and policies, and of maintaining unity with the party Central Committee so as to correct the political direction. Without a doubt this is very important for raising the ideological consciousness of intellectuals, but it cannot completely replace profound, painstaking ideological education work. Therefore, while getting a good grip on political education, we must get a good grip on ideological education in a multifaceted way.

First, a leader must have the idea of cherishing talent. In giving intellectuals ideological education, a leader must have a heart that cherishes talented persons and loves "talent" as if it were a jewel. Only by proceeding from being concerned for and cherishing talent will he be able to attain his goal of attracting and retaining intellectuals in the units on the plateau, arousing their enthusiasm, and giving play to their role.

Second, he must see the strong points and positive aspects of intellectuals, and use intellectuals boldly with full confidence. Of course, what has been

said above about the thinking of intellectuals is not a comprehensive evaluation of them. In reality, there are many strong points and positive factors of the intellectuals of the units in our military district. They support the party's line, principles, and policies, and they have cultural and specialized knowledge. Some of them over time have accumulated a certain amount of work experiences and have gradually become qualified for work in certain fields. The great majority of the comrades can bear hardships and stand hard work; they work conscientiously and have obtained certain successes. Party committees and leading cadres must see their strong points and positive characteristics, have full confidence in them and boldly use them, entrust them with important tasks, and give them a free hand in their work.

Third, we must, in a down-to-earth fashion, do real things for the intellectuals. With the solicitude of the party and the people, the treatment of intellectuals in the units of our military district has improved, but we must not conclude that the solicitude was overdone. In reality, there is still much work to do. For example: showing solicitude for the conditions for reading books and studying, for cultural and recreational facilities, for appropriate arrangements for dependents, and for marriage and family affairs. These things look to be matters of every-day interest, but, conversely, they are also ideological work. Doing one thing for them in a down-to-earth way is sometimes better than ideological work. Only by solving these problems well will we be able not only to retain their bodies but also to make fast their hearts. Of course, conditions in Xizang are poor, some problems really cannot be solved well, and there are real difficulties. With regard to those things on which much effort has been made but which are still unable to be done, we may, in the spirit of seeking truth from facts, give explanations to the intellectuals. Provided we do good ideological and political work and make the work strike home, they can be retained and their enthusiasm can be aroused.

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## FANG LIZHI'S ADVOCACY OF 'TOTAL UNIVERSITY FREEDOM' REBUKED

Shenyang LIAONING RIBAO in Chinese 8 May 87 p 4

[Article by Lu Zhenchang [7627 2182 2490]: "'Full University Freedom' Would Change the Nature of Socialist Institutions"]

[Text] In drumming up support for "bourgeois liberalization," Fang Lizhi [2455 0536 0037] preached "total university freedom" everywhere. His view in essence is completely divorced from party and government leadership over colleges and universities. Changing the nature and direction of universities is an important component of his proposed "wholesale Westernization" and taking the capitalist road.

The banner of "total university freedom" unfurled by Fang Lizhi has nothing in common whatsoever with the party's proposal to expand university autonomy. As put forward in the "Decision of the CPC Central Committee Concerning Educational Reform," the expansion of university autonomy is premised on party and government leadership and must take place within the framework of the nation's policies, laws, and plans. The purpose of expanding autonomy is to give institutions the initiative and self-regulatory power they need to adapt to the demands of economic and social development so that they can contribute more effectively to the construction of socialist material and spiritual civilizations. According to Fang Lizhi's theory of "full university freedom," colleges and universities should be independent of the government. "Government should give money to the university president, but had better not intervene in it otherwise." "The university president's job is to protect the institution from interference." "There should be no so-called leader above the university directing it from outside." It is clear from all this talk that he wants to remove colleges and universities from party and government leadership. Education is an organic part of the giant socioeconomic system. It must develop in tandem with economic construction, social development, and scientific and technical progress. Because of this objective requirement, the university in a modern society cannot be independent of the government and free from government leadership and macro management, whatever the social system of the nation. Universities in Western societies are not as independent of government control as Fang Lizhi makes them out to be. In fact, universities in developed capitalist nations are subject to the direction of a government representing the interests of the big bourgeoisie. They must come to terms with the needs of social and economic development and

serve such needs. Ours is a socialist country. The universities we operate are socialist universities. The insistence on party and government leadership over universities is a precondition for and an organizational guarantee of the socialist nature of our universities. This is determined by the party's nature and the mission of socialist universities. Decades of practice proves that only CPC leadership can turn universities into socialist universities.

In advocating "total university freedom," Fang Lizhi aims to put capitalist roaders, people who are for "wholesale Westernization," in charge of universities. This is borne out by his deeds. He ran a university by abolishing the political assistant system, practicing bourgeois liberalization, and turning it into an independent fiefdom of bourgeois liberalization beyond party or government control. In the process he fundamentally altered the nature of a socialist university. As university personnel, we must operate universities steadfastly as socialist institutions with Chinese characteristics and as strong bases for disseminating the socialist spirit.

Who should lead a university? That ultimately boils down to a question of what kind of people the institution wants to produce. A university should turn out for socialist modernization people with professional skills who are idealistic, ethical, educated, and disciplined. Fang Lizhi's ideas about the type of people a university should nurture are also diametrically opposed to the party's thinking. Deviating from the goals of university education laid down by the party, he puts forward his own objective: training people with an "independent personality." What are these people with an "independent personality?" As Fang Lizhi tells it, they are people with "independent consciousness." Why produce this type of people? He puts it very clearly--to "solve the problems of socialism" and "change the party." Referring to students making troubles, he said, "I think this kind of trouble-making demonstrates students' sensitivity to society, a very precious thing. We should use this kind of sensitivity to solve social problems." About problems in the party, he said, "Only the entry of people like us into the party can change its outlook." "I formally propose that the party be changed." Should we nurture successors to the socialist enterprise, or should we produce grave-diggers for the revolution? Herein lies the basic difference between us and Fang Lizhi. On our struggle against his bourgeois liberalization hinges what kind of younger generation will inherit our enterprise. On it hinges the destiny of our party and nation, a vital matter. Our teachers' training colleges produce people's teachers whose duty is to educate. Whether they can uphold the four cardinal principles will influence which direction the future generation will follow, which road they will take. Therefore, we must adhere to the educational objectives set by the CPC Central Committee and develop people's teachers who deeply love the socialist motherland and the socialist cause, are devoted to the vocation of people's education and to improving the quality of the Chinese nation, and have a scientific spirit of seeking truth from facts, independent thinking, and bold innovation.

Fang Lizhi's propagation of bourgeois liberalization has had serious consequences. Therefore we must criticize his erroneous idea of bourgeois liberalization to differentiate right from wrong as far as basic political principles and political direction are concerned, eradicate his influences, and insist more firmly on the party's leadership over institutions of higher education and on the socialist way of running a university.



## SURVEY ON MAINLAND REPRESENTATION IN TRICAMERAL PARLIAMENT

Taipei TZULI WANPAO in Chinese 14 Apr 87 p 2

[Text] According to a public opinion survey carried out by TZULI WANPAO on "whether the national organs of popular representation should establish representation for native mainlanders," half of the people in greater Taipei believe there should be all new elections for national popular representatives. People who oppose the installation of mainland representatives in the Legislative and Control Yuans outnumber those in favor, but not by much. Those who advocate mainland representation in the National Assembly, on the other hand, far outnumber those opposed. In addition, almost 60 percent of the respondents believe that the legally constituted authority of the Republic of China will not be interrupted, nor will the government of the Republic of China be reduced to a local government if the national organs of popular representation do not establish a quota for mainlander representation.

The Political Innovation Group of the party in power is actively researching and drafting a substantial plan for the national organs of popular representation. In November TZULI WANPAO conducted a special public opinion survey of citizens over 20 on the most controversial question included in this plan: the question of "whether the national popular representative organs should establish representation for native mainlanders." This survey employed a sampling method using the telephone directory system and selected 743 sample subjects from the greater Taipei area. Of the subjects selected, 311 completed the interview, 145 declined to be interviewed, and the remainder could not be reached or did not meet the subject requirements (no adults were at home). The completion rate measured 68.2 percent and the refusal rate was 31.8 percent.

The survey results demonstrated that 51.4 percent of the people feel there should be all new elections for national popular representatives, and 28.9 percent feel there should not be. After cross analysis we discovered that people born in Taiwan are more likely to believe there should be all new elections, whereas people born on the mainland are more likely to believe there should not be (see Table 1, attached). Among Kuomintang members, more feel that there should be new elections than feel there should not be.



Table 1: Respondents Who Feel the Central Organs of Popular Representation Should Hold All New Elections; Responses Categorized by Respondent's Place of Birth

Place of Birth	Opinion Should be all new elections	Should not be all new elections	No Opinion
Taiwan region	54.1	28.0	17.9
Mainland provinces	28.1	37.5	34.4

Of those interviewed, 43.1 percent advocate that the Legislative Yuan establish mainland representation. This is slightly lower than the number of people opposing mainland representation in the Legislative Yuan (43.4 percent). Those in favor of mainland representation in the Control Yuan account for 41.2 percent, slightly less than those opposed (42.8 percent). However, advocates of mainland representation in the National Assembly comprise 48.2 percent, far higher than the 38.6 percent of the sample opposed to this move. After cross analysis we found that, with respect to the Legislative Yuan, Control Yuan, and National Assembly alike, natives of mainland provinces all tend to support the establishment of mainland representation, whereas natives of Taiwan all tend to oppose mainland representation. Further analysis shows that the higher the educational level among Taiwan natives, the higher the proportion of people opposed to mainland representation in the Legislative Yuan, Control Yuan, and National Assembly. Among mainlanders, on the other hand, there are no notable differences among educational levels. It is worth noting that 60 percent or so of Taiwan natives enrolled in the Kuomintang oppose mainland representation, far more than the number without Kuomintang membership that oppose this issue (about 40 percent). Among native mainlanders, however, party membership has no notable effect on attitudes.

People who believe that mainland representatives selected in Taiwan can wholly or partially represent their mainland compatriots account for 49.7 percent of the total--higher than the 38.1 percent that believe they cannot represent their mainland compatriots. Some 46.3 percent feel that mainland representation will be extremely or somewhat advantageous to the development of the ROC's democratic constitutional government, and 25.1 percent feel it will be extremely or somewhat disadvantageous. In the event that we do not establish mainland representation, 58.8 percent of our sample believe our legally constituted authority will not be interrupted, whereas 20.3 percent believe it will. Some 54.7 percent do not think the ROC will be reduced to a local government if it does not institute mainland representation, but 24.8 percent think it will.

The survey results demonstrate that if national organs of popular representation are to establish mainland representation, voting by the Taiwan electorate will engender the most likely acceptance (63.2 percent of our respondents favor this method). The second most favored method is election through fellow-provincial associations (12.7 percent favor this method), and the third most favored method is through selection (11.1 percent). Over half

of the native mainlanders among our respondents (52.7 percent) think that voting by the Taiwan electorate is the ideal method of choosing mainland representatives, whereas fellow-provincial associations places second and selection is favored by the smallest minority. With respect to place of birth, Taiwan-born respondents lean more toward voting by the Taiwan electorate than do mainland-born respondents.

As for the question of whether establishing mainland representation will expand consciousness of provincial homelands, over half (53.7 percent) responded that "it would not," and not even one-third (32.5 percent) responded that "it would." Age was the most significant factor influencing respondents in making this determination. Among the various age levels, 20 to 29-year-olds comprise the largest proportion of respondents who feel "it would" expand consciousness of provincial homelands, and people over 60 comprise the largest proportion those who feel "it would not" do so.

People who think establishment of mainland representation in the national organs of popular representation would be "fair or not unfair" to native Taiwanese far exceed those who think it would be "unfair." Of this, 60 percent of the native mainlanders believe it would be "fair," but only 40 percent of the native Taiwanese feel it would be "fair." The proportion of native Taiwanese who think it would be "unfair" (32 percent) is higher than the proportion of like-minded native mainlanders. However, native province is a factor influencing the negative appraisal of the fairness of mainland representation. Taking the analysis a step further, there is no noticeable difference among native Taiwanese respondents based on age, but educational level does produce a notable difference. Over half of those with a college education or higher and nearly 40 percent of those with a junior college education believe mainland representation would be unfair to native Taiwanese. Then come those with elementary, senior middle school, and state middle school educations. Among those with a senior middle school education, half feel it would be "fair," and this represents the highest proportion.

Would a failure to establish mainland representation be fair to native mainlanders? Of those interviewed, 38.2 percent believe it would be "unfair," 29.4 percent believe it would be unfair [as published], and as many as 32.4 percent expressed no opinion. On this question there are considerable discrepancies among natives of different provinces. Over half of the mainland-born respondents (approximately 53 percent) think it would be "unfair," while only one-third of the native Taiwanese feel it would be unfair. As for those who think it would not be unfair, the proportions of native Taiwanese and native mainlanders are similar, although the former ratio is slightly higher (29.8 percent versus 28.4 percent). Further analysis reveals that, among native Taiwanese, those who feel it would be unfair are most numerous among those with a senior middle school education, and those who feel it would be fair are most numerous among those with a college education or above.

The sample composition for this survey was as follows: Sex: 53.2 percent male and 46.8 percent female. Age: 34.7 percent aged 20 to 29, 36.3 percent aged 30 to 39, 20.3 percent aged 40 to 59, and 8.7 percent over 60. Native province distribution: 75.9 percent from Taiwan (including Taipei and

Kaohsiung) and 24.1 percent from the various mainland provinces. Some 89.7 percent were born in the Taiwan region and 10.3 percent were born on the mainland. Party membership: 22.3 percent Kuomintang, 76.5 percent no party membership, and 1.3 percent People's Progressive Party. Educational level: 13.2 percent college or above, 14.8 percent junior college, 39.5 percent senior middle school, 18 percent state middle school, and 14.5 percent elementary school and below.

Table 2. Respondents' Attitudes on the Establishment of Mainland Representation in the Central Organs of Popular Representation; Responses Categorized by Native Place

Yuan: Opinion Native province	Legislative Yuan			Control Yuan			National Assembly		
	Favor	Oppose	No opinion	Favor	Oppose	No opinion	Favor	Oppose	No opinion
Taiwan native	37.7	47.9	14.4	34.4	48.3	17.4	43.6	41.5	14.8
Mainland native	60.0	29.3	10.7	62.7	25.3	12.0	62.7	29.3	8.0

Table 3. Native Taiwanese Respondent's Attitudes on the Establishment of Mainland Representation in the Central Organs of Popular Representation; Responses Categorized by Respondent's Party Membership

Yuan: Opinion Party membership	Legislative Yuan			Control Yuan			National Assembly		
	Favor	Oppose	No opinion	Favor	Oppose	No opinion	Favor	Oppose	No opinion
Kuomintang	33.3	64.6	2.1	31.3	64.6	4.2	39.6	58.3	2.1
No party	38.0	44.6	17.4	34.2	45.1	20.7	44.0	38.0	17.6

Public Opinion Survey Statistics on the Question of Whether Native Mainlanders Should be Represented in the National Organs of Popular Representation

1. Do you think there should be all new elections for national popular representatives?

- 1) Yes--51.4 percent;
- 2) No--28.9 percent;
- 3) No opinion--19.6 percent

2. Do you favor or oppose the establishment of a representative quota for native mainlanders in the Legislative Yuan?

- 1) Favor--43.1 percent;
- 2) Oppose--43.4 percent;
- 3) No opinion--13.5 percent

3. Do you favor or oppose the establishment of a representative quota for native mainlanders in the Control Yuan?

- 1) Favor--41.2 percent;
- 2) Oppose--42.8 percent;
- 3) No Opinion--16.1 percent

4. Do you favor or oppose the establishment of a representative quota for native mainlanders in the National Assembly?

- 1) Favor--48.2 percent;
- 2) Oppose--38.6 percent;
- 3) No Opinion--13.2 percent

5. If the national organs of popular representation do establish a representative quota for native mainlanders, what method do you think is ideal for producing native mainland representatives?

- 1) Selection--11.1 percent;
- 2) Fellow-provincial associations--13.7 percent;
- 3) Voting by the Taiwan electorate--63.2 percent;
- 4) No opinion--12.1 percent

6. If the national organs of popular representation establish a representative quota for native mainlanders, do you think it will expand consciousness of provincial homelands?

- 1) Yes--32.5 percent;
- 2) No--53.7 percent;
- 3) Don't know--13.8 percent

7. Do you think native mainland representatives elected in Taiwan will be able to represent their mainland compatriots?

- 1) They will be able to represent them completely--15.5 percent
- 2) They will be able to represent them partially--34.2 percent
- 3) They will not be able to represent them--38.1 percent
- 4) No opinion--12.3 percent

8. Do you think establishment of representative quotas for native mainlanders in the national organs of public representation will be advantageous or disadvantageous to the development of the ROC's democratic constitutional government?

- 1) Very advantageous--7.1 percent;
- 2) Advantageous--39.2 percent
- 3) Disadvantageous--18.0 percent;
- 4) Very disadvantageous--7.1 percent;
- 5) No opinion--28.6 percent

9. If the national organs of popular representation establish representation for native mainlanders, do you think it will be fair or unfair to native Taiwanese?

- 1) Fair--45.5 percent;
- 2) Unfair--29.2 percent;
- 3) No opinion--25.3 percent

10. If the national organs of popular representation establish a representative quota for native mainlanders, do you think it will be fair or unfair to native mainlanders?

- 1) Fair--29.4 percent;
- 2) Unfair--38.2 percent;
- 3) No opinion--32.4 percent

11. If the national organs of popular representation establish a representative quota for native mainlanders, do you think the legally constituted authority of the ROC will be interrupted?

- 1) Yes--20.3 percent;
- 2) No--58.8 percent;
- 3) No opinion--20.9 percent

12. If the national organs of popular representation do not establish a representative quota for native mainlanders, will the government of the Republic of China become a local government?

- 1) Yes--24.8 percent;
- 2) No--54.7 percent;
- 3) No opinion--20.6 percent

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CSO: 4005/732

ISSUE OF 'REAL TAIWANESE' RAISED

Taipei TZULI WANPAO in Chinese 14 Apr 87 p 2

[Text] Today Legislative Yuan Member Ch'iu Lianhui [6726 6647 6540] directed a general inquiry to the Executive Yuan on the issue of defining "Taiwanese." He said that everyone born on Taiwan is Taiwanese, and anyone not born on Taiwan who is willing to adopt Taiwan as his native place is also Taiwanese.

Ch'iu Lianhui said that the statement made to the Legislative Yuan on 7 April by member Lin Tiansheng [2651 1131 3932], of the Gaoshan nationality, provoked a great deal of applause and laughter. Member Lin said "Only I, born in the mountains of Taiwan, am a 'Taiwanese.' What's all the fuss about?" In his general inquiry he gave the following explanation: "It is only because the term 'Taiwanese,' used by those born in the mountains of Taiwan, has been stolen by others that there is now this discord and chaos in Taiwanese political affairs. It is this that has formed the basis for differences between opponents. Only if the 'correct name' for those born in the Taiwan mountains is 'Taiwanese' can we establish a united and harmonious society."

Ch'iu Lianhui believes this is unreasonable, and he asked the Executive Yuan to state the true meaning of the term "Taiwanese." At the same time, he proposed a definition of the term "Taiwanese": 1) All people born in Taiwan are Taiwanese. 2) Anyone not born on Taiwan who is willing to adopt Taiwan as his native place is also Taiwanese. 3) Conversely, anyone who was born on Taiwan but who is unwilling to recognize fellow Taiwanese is not a Taiwanese. 4) Anyone who was not born on Taiwan and who is unwilling to recognize fellow Taiwanese is not Taiwanese. 5) Whether Taiwanese or non-Taiwanese, if someone plunders or steals Taiwan's natural or human resources and conceals his nationality, he is a Taiwan thief.

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# EXTREME RIGHT POLITICAL GROUPS ON TAIWAN REVIEWED

Hong Kong CHIUSHI NIENTAI [THE NINETIES] in Chinese No 207, April 87 p 60

[Article by Nan Ping [0589 1627], under the rubric "Taiwan Topics": "Taiwanese Fascists; The All-People's Patriotic Association"]

[Text] The influence of right-wing anti-communist patriotic organizations in Taiwan rises and falls with the vicissitudes of non-party influence. Although they have little momentum right now, when the Kuomintang (KMT) has need of them they must not be underestimated.

On 27 February an organization known as the "All-People's Patriotic Association" led a crowd in a great disturbance at the Legislative Yuan to boycott Democratic Progressive Party (DPP) committee members. They used umbrellas to battle security police and became a hot news item.

This kind of organization has existed on Taiwan for the last 8 or 9 years, and this mob activity was just a sign of another flare-up. The appearance of this kind of right-wing organization carries a certain significance in the chaotic political situation in Taiwan.

## Right-Wing Influence is Closely Tied to Non-Party Influence

The "Anti-Communist Patriotic" Organization came into being in 1978. At that time, non-party influence was beginning to coalesce and the right-wing "Gale Wind Organization" began to form in opposition. In 1978, because of imminent elections for national popular representatives, non-party forces announced the organization of a "Backup Association." On several occasions, when meetings were held the "Gale Wind Organization" proceeded to hold demonstrations in the surrounding area. The most important demonstrations were the "Chungt'ai Guest House Incident" and the Chungshan Hall Incident."

The chief members of the "Gale Wind Organization" are "Anti-Communist Freedom-Seekers" who have come to Taiwan from the mainland, and right-wing hawks within the KMT. Behind the scenes there is also T'eng Chieh [3326 0267], an original member of the "Blue Shirt Society" (an associate during the Taili Period who was once the mayor of Nanking; he is currently a member of the National Assembly and is now over 80 years old), and other members of the old-guard intelligence and public security forces, as well as garrison



headquarters and other new and rising intelligence and public security forces. After the Meili Island Kaohsiung Incident," many non-party organizations announced that they were disbanding, and the "Gale Wind Organization," because it had accomplished its task, also announced it would disband.

Beginning in the last half of 1986, non-party momentum rose again and there was a movement to form a political party. As a result, various right-wing organizations also strove to reemerge, including the "All-People's Patriotic Association," the "98 Comrades Association," the "Wanderer's Society," and so forth. Their membership was similar to that of the former "Gale Wind Organization." The "All-People's Patriotic Association" mentioned above, which created the disturbance at the Legislative Yuan, is run by Chong Shunan [6945 2885 2809], a KMT hanger-on. This individual runs a small magazine and has a flock of KMT hangers-on, young and old, under this leadership. In several previous elections, Chong Shunan has registered with the KMT, but because his public evaluation was poor the KMT refused to admit him. He organized the "All-People's Patriotic Party" himself and gives little attention to anything else.

The members of the "98 Comrades Association" are mostly anonymous right-wing KMT intellectuals. They have published some "newsletters" to lay down standards. According to information sources, this organization contains some honest professors; the intelligence and public security units are behind the scenes. As for the "Wanderer's Society," the dominant factor in that organization is the "Nanbao" organization in Hongkong. Each of these right-wing organizations ordinarily goes its own way, but when they act as a body they raise the banner of the "Anti-Communist Patriotic Battle Line."

The primary goal of these right-wing organizations is to strike a blow at the non-KMT Democratic Progressive Party. Beginning with the latter half of 1986, they have done the following things:

--When non-KMT forces announced the formation of a political party, the right-wing organizations spread the word that they wanted to form an "All-People's Patriotic Party" to compete with them. However, they were prevented from doing so by the KMT.

--During the 1986 election period, Hung Chich'ang [3163 1142 2490], who stood for election as Taipei County's National Assemblyman, authored a leaflet attacking Chiang Chingkuo as the "Piglet President." The right-wing organizations thereupon surrounded Hung Chich'ang as he travelled to Hsintian (a small town on the outskirts of Taipei) to express his political views, and raised a false alarm.

--Right-wing organizations have frequently distributed various leaflets and newsletters attacking the DPP. They believe the DPP seeks independence for Taiwan, and they think the open-minded factions of the KMT will sell out the interests of the party and the nation. They hope the KMT will adopt tough measures to deal with the DPP.

Right now the political climate in Taiwan is seeking to change with the will of the people. It is widely hoped that Taiwan will be able to produce a free

and democratic system. Of course, this kind of Fascist organization cannot appeal to the masses, and some of the KMT's right-wing intellectuals also operate anonymously. This serves to show that, in this time and place, people with foresight are unwilling to accede to discussions of "anti-Communist patriotism." A Western proverb has it that "patriotism is the last refuge of a scoundrel," and on Taiwan this is precisely true.

Since the disturbance at the Legislative Yuan on 27 February, the "All-People's Patriotic Association" and other organizations have also held a lecture, which was attended by only 300 to 400 people. It is thus clear that these organizations are not growing at this stage.

#### "Opportunistic" Political Groups

However, although these kinds of fascist organizations have no momentum right now, from a long-term perspective there are some aspects of their existence that must not be underestimated. This is because, although these kinds of groups cannot develop in and of themselves, if the political situation changes and the KMT gets involved with them formally and mobilizes support (such as military and police academy students and servicemen and their dependents), they can still grow in strength overnight by a factor of several thousand or several tens of thousands. Their current lack of momentum is merely because the KMT doesn't need them yet. It is just like what happened before with the "Gale Wind Organization": although it only had a few members, the KMT mobilized forces clandestinely and it was immediately able to create a "patriotic mass" of over 1,000 people to surround non-party members.

Since the All-People's Patriotic Association and other right-wing fascist organizations are "opportunistic" political groups, when will the KMT provide them with the "opportunity" they seek?

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